

## SEVENTY-SECOND DAY

St. Paul, Minnesota, Thursday, February 28, 1980

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

## CALL OF THE SENATE

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

Ashbach	Engler	Knoll	Peterson	Stokowski
Bang	Frederick	Knutson	Rued	Strand
Barrette	Gunderson	Luther	Schaaf	Stumpf
Benedict	Hanson	McCutcheon	Schmitz	Tennessee
Bernhagen	Hughes	Menning	Setzepfandt	Ueland, A.
Brataas	Jensen	Merriam	Sieloff	Ulland, J.
Chmielewski	Johnson	Moe	Sikorski	Wegener
Coleman	Keefe, S.	Nelson	Sillers	Willet
Davies	Kirchner	Ogdahl	Spear	
Dieterich	Kleinbaum	Olson	Staples	
Dunn	Knaak	Perpich	Stern	

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

Prayer was offered by the Chaplain, Rev. Michael T. Kartes.

## OATH OF OFFICE

The newly elected Senator, Mr. Ben Omann from the 16th District, subscribed to the oath of office as administered by the Honorable Walter F. Rogosheske, Justice of the Supreme Court.

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

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

The President declared a quorum present.

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

### MEMBERS EXCUSED

Messrs. Humphrey, Laufenburger, Penny, Purfeerst and Vega were excused from the Session of today. Mr. Pillsbury was excused from the Session of today until 11:00 o'clock a.m. Mr. Knutson was excused from the Session of today at 11:10 o'clock a.m. Mr. Stern was excused from the Session of today at 11:45 o'clock a.m.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Tennesen; Schaaf; Knutson; Keefe, J. and Spear introduced—

S. F. No. 2143: A bill for an act relating to crimes; establishing the crime of commercial bribery; prescribing penalties.

Referred to the Committee on Judiciary.

Messrs. Tennesen, Spear and Knutson introduced—

S. F. No. 2144: A bill for an act relating to crimes; repealing the laws relating to fornication and consensual sodomy; repealing Minnesota Statutes 1978, Sections 609.293 and 609.34.

Referred to the Committee on Judiciary.

Mr. Laufenburger introduced—

S. F. No. 2145: A bill for an act relating to peace officers; altering membership in the board of peace officer standards and training to include mayors or city council members from municipalities outside the metropolitan area; amending Minnesota Statutes, 1979 Supplement, Section 626.841.

Referred to the Committee on Governmental Operations.

Messrs. Dieterich, Knoll, Solon and Mrs. Knaak introduced—

S. F. No. 2146: A bill for an act relating to public welfare; providing that certain relatives of children receiving aid to families with dependent children are not responsible for contributions; amending Minnesota Statutes 1978, Section 256.87, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Setzepfandt, Nichols and Sikorski introduced—

S. F. No. 2147: A bill for an act relating to courts; providing

senior citizen priority on the civil calendar; amending Minnesota Statutes 1978, Section 546.07.

Referred to the Committee on Judiciary.

Messrs. Keefe, S.; Merriam; Spear and Mrs. Stokowski introduced—

S. F. No. 2148: A bill for an act relating to education; requiring a school board to grant an extended leave of absence to certain teachers; eliminating the requirement of certain reports for denials of the leaves; amending Minnesota Statutes 1978, Section 125.60, Subdivision 7; and Minnesota Statutes, 1979 Supplement, Section 125.60, Subdivision 2; repealing Minnesota Statutes 1978, Section 125.60, Subdivision 2a.

Referred to the Committee on Education.

Mr. Sikorski introduced—

S. F. No. 2149: A bill for an act relating to juveniles; amending criteria for reference to adult court; amending Minnesota Statutes 1978, Section 260.125, Subdivision 2.

Referred to the Committee on Judiciary.

Mr. Sikorski introduced—

S. F. No. 2150: A bill for an act relating to children; increasing parental liability for damage done by children; amending Minnesota Statutes 1978, Section 540.18, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Dieterich; Keefe, J.; Keefe, S. and Perpich introduced—

S. F. No. 2151: A bill for an act relating to public welfare; exempting certain payments from consideration when determining levels of general assistance; amending Minnesota Statutes 1978, Section 256D.06, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Luther introduced—

S. F. No. 2152: A bill for an act relating to state lands; authorizing conveyance of certain parcels of land in the city of Brooklyn Center.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Luther introduced—

S. F. No. 2153: A bill for an act relating to local government;

clarifying basis for certain sewer charges; amending Minnesota Statutes 1978, Section 444.075, Subdivision 3.

Referred to the Committee on Local Government.

Messrs. Hughes and Stumpf introduced—

S. F. No. 2154: A bill for an act relating to game and fish; prohibiting the sale or use of leghold traps in the territory included in Ramsey County; providing penalties.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Stumpf and Sikorski introduced—

S. F. No. 2155: A bill for an act relating to juveniles; changing procedures with regard to detention and disposition; amending Minnesota Statutes 1978, Sections 260.172, Subdivision 4, and by adding a subdivision; 260.185, Subdivision 4; and 260.191, Subdivision 2.

Referred to the Committee on Judiciary.

Mr. Stumpf introduced—

S. F. No. 2156: A bill for an act relating to Ramsey County; simplifying the numbering of the county code; amending Laws 1974, Chapter 435, Articles I to IV, as amended.

Referred to the Committee on Local Government.

Messrs. Engler, Setzepfandt, Chmielewski, Bernhagen and Rued introduced—

S. F. No. 2157: A bill for an act relating to taxation; motor vehicle, excise; providing a credit on the excise tax for the value of a motor vehicle destroyed in an accident in certain transactions; amending Minnesota Statutes 1978, Section 297B.01, Subdivision 8.

Referred to the Committee on Taxes and Tax Laws.

Mr. Engler introduced—

S. F. No. 2158: A bill for an act relating to taxation; real property; providing a credit for certain property along wild and scenic rivers; appropriating money; amending Minnesota Statutes 1978, Chapter 273, by adding a section.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Engler, Sieloff and Bernhagen introduced—

S. F. No. 2159: A bill for an act relating to taxation; property;

requiring property tax refunds be claimed on the income tax return; amending Minnesota Statutes 1978, Sections 290A.06 and 290A.07, Subdivision 2; repealing Minnesota Statutes 1978, Section 290A.07, Subdivisions 3 and 4.

Referred to the Committee on Taxes and Tax Laws.

Mr. Engler introduced—

S. F. No. 2160: A bill for an act relating to crimes; appropriating money for the investigation of narcotics offenses; amending Minnesota Statutes, 1979 Supplement, Section 299C.065, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Luther; Keefe, J. and Sikorski introduced—

S. F. No. 2161: A bill for an act relating to financial institutions; authorizing examinations of certain bank holding companies; providing for the institution of cease and desist proceedings and the issuance of temporary orders; amending Minnesota Statutes 1978, Section 46.24; and Minnesota Statutes, 1979 Supplement, Section 46.04.

Referred to the Committee on Commerce.

Messrs. Solon and Ulland, J. introduced—

S. F. No. 2162: A bill for an act relating to retirement; Duluth police; definition of "spouse" for purposes of survivor benefits; amending Laws 1953, Chapter 91, Section 1, Subdivision 7, as amended.

Referred to the Committee on Governmental Operations.

Mr. Olhoft introduced—

S. F. No. 2163: A bill for an act relating to public safety; regulating boilers, other apparatus and their operators; providing penalties; amending Minnesota Statutes 1978, Sections 183.375, Subdivision 2; 183.38; 183.39, Subdivision 1; 183.41, Subdivision 2; 183.42; 183.44; 183.45; 183.46; 183.465; 183.48; 183.50; 183.51; 183.52; 183.53; 183.54; 183.545; 183.56; 183.57; 183.59; 183.60; 183.61; 183.62; and Chapter 183, by adding sections; repealing Minnesota Statutes 1978, Section 183.39, Subdivision 2.

Referred to the Committee on Commerce.

Messrs. Engler and Rued introduced—

S. F. No. 2164: A bill for an act relating to local government; providing for the financial reports of certain municipal hospitals

and nursing homes; amending Minnesota Statutes, 1979 Supplement, Sections 471.697, Subdivision 1; and 471.698, Subdivision 1.

Referred to the Committee on Local Government.

Messrs. Engler; Luther; Gunderson; Ulland, J. and Dunn introduced—

S. F. No. 2165: A bill for an act relating to natural resources; appropriating money for a demonstration project to utilize sewage sludge in forest management.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Keefe, S. and Gearty introduced—

S. F. No. 2166: A bill for an act relating to the city of Minneapolis; authorizing the creation of an economic development and redevelopment agency or department.

Referred to the Committee on Local Government.

Mr. Schaaf introduced—

S. F. No. 2167: A bill for an act relating to public safety; providing for fire alarm and sprinkler systems in schools.

Referred to the Committee on Education.

Mr. Chmielewski introduced—

S. F. No. 2168: A bill for an act relating to historic sites; designating an additional historic site; amending Minnesota Statutes 1978, Section 138.56, by adding a subdivision.

Referred to the Committee on General Legislation and Administrative Rules.

Messrs. Dieterich, Coleman, Schaaf and Ogdahl introduced—

S. F. No. 2169: A bill for an act relating to metropolitan government; providing for legal services to the metropolitan council and metropolitan agencies; amending Minnesota Statutes 1978, Sections 8.06; 473.129, Subdivisions 2 and 3; and 473.141, Subdivision 13.

Referred to the Committee on Governmental Operations.

Mr. McCutcheon introduced—

S. F. No. 2170: A bill for an act relating to taxation; providing adjustments to property tax refund due to granting of abatements on claimant's homestead; amending Minnesota Statutes 1978,

Sections 290A.11, by adding a subdivision; and 375.192, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Merriam, Gunderson, Dunn, Humphrey and Anderson introduced—

S. F. No. 2171: A bill for an act relating to education; authorizing the council on quality education to fund certain programs for adults; appropriating money.

Referred to the Committee on Education.

Mr. Chmielewski introduced—

S. F. No. 2172: A bill for an act relating to the Moose Lake-Windemere Sewer District; definitions; board membership and compensation; powers; amending Laws 1974, Chapter 400, Sections 3, Subdivisions 5 and 12; 4, Subdivisions 2 and 9; and 8, by adding a subdivision.

Referred to the Committee on Local Government.

Messrs. Tennesen, Knoll, Spear and Knutson introduced—

S. F. No. 2173: A bill for an act relating to courts; Hennepin and Ramsey county district courts, juvenile divisions; authorizing appointment of district court judges to hear cases arising under the juvenile court act for terms up to six years; amending Minnesota Statutes 1978, Section 260.019, Subdivision 3.

Referred to the Committee on Judiciary.

Messrs. Penny, Olhoft, Luther, Gunderson and Mrs. Knaak introduced—

S. F. No. 2174: A resolution memorializing the President and Congress to take all actions necessary to effect changes in regulations of the Department of Health, Education, and Welfare so that physician visits to medically stable residents of certain health care facilities are required only quarterly or semi-annually.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Sikorski introduced—

S. F. No. 2175: A bill for an act relating to juveniles; requiring notice to noncustodial parents of filing of petitions for dependency, delinquency, neglect, or neglected and in foster care; amending Minnesota Statutes 1978, Sections 260.135, Subdivision 2; and 260.251, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Merriam, Gunderson, Peterson, Hughes and Barrette introduced—

S. F. No. 2176: A bill for an act relating to education; requiring school districts to develop a policy and procedures to minimize chemical use problems; appropriating money.

Referred to the Committee on Education.

Messrs. Purfeerst; Ueland, A. and Keefe, S. introduced—

S. F. No. 2177: A bill for an act relating to unemployment compensation; restoring eligibility to certain employees of Minnesota school for the deaf and Minnesota braille and sight saving school; amending Minnesota Statutes 1978, Section 268.08, Subdivision 6.

Referred to the Committee on Employment.

Mr. Stumpf introduced—

S. F. No. 2178: A bill for an act relating to local government in Ramsey county; providing for the membership and dues of the Ramsey county league of local governments; amending Laws 1963, Chapter 728, Section 1, as amended.

Referred to the Committee on Local Government.

Mr. Stumpf introduced—

S. F. No. 2179: A bill for an act relating to the Valley Branch Watershed District; providing for representation of Ramsey County on the board of managers for the Valley Branch Watershed District.

Referred to the Committee on Local Government.

Mr. Stumpf introduced—

S. F. No. 2180: A bill for an act relating to highway traffic regulations; requiring certain vehicles operated at a speed of 25 miles per hour or less to display flashing warning lights while traveling on certain highways; amending Minnesota Statutes 1978, Chapter 169, by adding a section.

Referred to the Committee on Transportation.

Messrs. Keefe, J.; Schmitz; Purfeerst and Ashbach introduced—

S. F. No. 2181: A bill for an act relating to taxation; sales; exempting sales of road building materials; amending Minnesota Statutes, 1979 Supplement, Section 297A.25, Subdivision 1; repealing Minnesota Statutes 1978, Section 297A.25, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.



Messrs. Olhott and Strand introduced—

S. F. No. 2182: A bill for an act relating to health; directing the department of health to undertake studies for determining health and environmental effects of high voltage transmission lines; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Nelson and Peterson introduced—

S. F. No. 2183: A bill for an act relating to gambling devices; changing definition of gambling devices; authorizing certain payments for operation of gambling devices; amending Minnesota Statutes 1978, Section 349.26, Subdivision 2; and Minnesota Statutes, 1979 Supplement, Section 349.26, Subdivision 12.

Referred to the Committee on General Legislation and Administrative Rules.

Mrs. Stokowski; Messrs. Gearty; Keefe, S.; Knoll and Ogdahl introduced—

S. F. No. 2184: A bill for an act relating to education; providing aid for free and reduced price lunches rather than full paid lunches in certain school districts; providing certain bonding authority for Special School District No. 1; appropriating money; amending Minnesota Statutes 1978, Section 124.646, Subdivision 2, and by adding a subdivision; Minnesota Statutes, 1979 Supplement, Section 124.646, Subdivision 1; and Laws 1959, Chapter 462, Section 3, Subdivision 7, as amended.

Referred to the Committee on Education.

Mr. McCutcheon introduced—

S. F. No. 2185: A bill for an act relating to data privacy; extending temporary classifications of law enforcement data for one year; establishing a task force to develop law enforcement related data privacy legislation; clarifying provisions relating to arrest information; amending Minnesota Statutes, 1979 Supplement, Sections 15.162, Subdivision 2a; 15.1642, by adding a subdivision; 15.1695, Subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1978, Section 15.162, Subdivision 1a.

Referred to the Committee on Judiciary.

Mr. Bernhagen introduced—

S. F. No. 2186: A bill for an act relating to public utilities; establishment of rates for cogenerating power plants; amending Minnesota Statutes 1978, Chapter 216B, by adding a section.

Referred to the Committee on Energy and Housing.

Mr. Bernhagen introduced—

S. F. No. 2187: A bill for an act relating to transportation; granting an income tax credit for commuter van purchases; establishing a Minnesota rideshare program; appropriating funds; amending Minnesota Statutes 1978, Section 290.06, by adding a subdivision.

Referred to the Committee on Energy and Housing.

Messrs. Ashbach, Schaaf and Bernhagen introduced—

S. F. No. 2188: A bill for an act relating to the environment; altering definitions relating to environmental coordination procedures; eliminating some certification requirements for certain environmental projects; reducing time requirements related to environmental hearings and decisions; amending Minnesota Statutes 1978, Sections 116C.24, Subdivisions 5 and 7; 116C.25; 116C.26, Subdivisions 1, 3 and 5; 116C.27; 116C.28; 116C.31; 116C.32; and 116C.33, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Bang and Ashbach introduced—

S. F. No. 2189: A bill for an act relating to securities; providing for improved regulation of the sale of securities and the licensing of broker-dealers, agents and investment advisers; making miscellaneous clarifications and revisions; prescribing certain fees; amending Minnesota Statutes 1978, Sections 80A.05, Subdivision 1; 80A.07, Subdivision 1; 80A.12, Subdivision 3; 80A.14; 80A.15, Subdivision 2; 80A.16; 80A.21, Subdivision 1; 80A.28, Subdivisions 2, 7, and by adding a subdivision; and 80A.30, Subdivision 2; and Minnesota Statutes, 1979 Supplement, Section 80A.15, Subdivision 1.

Referred to the Committee on Commerce.

Messrs. Stumpf, Dieterich, Hughes, Barrette and Sieloff introduced—

S. F. No. 2190: A bill for an act relating to the city of Saint Paul; permitting employment of certain persons pursuant to a training program.

Referred to the Committee on Local Government.

Messrs. Pillsbury and Schaaf introduced—

S. F. No. 2191: A bill for an act relating to state government; creating the Minnesota institute for public foresight; requiring the identification and analysis of trends affecting the state; appropriating money.

Referred to the Committee on Governmental Operations.

Messrs. Menning, Nichols, Olson and Strand introduced—

S. F. No. 2192: A bill for an act relating to local government; regulating financial reports of certain municipal hospitals and nursing homes; amending Minnesota Statutes, 1979 Supplement, Sections 471.697, Subdivision 1; and 471.698, Subdivision 1.

Referred to the Committee on Local Government.

Messrs. Solon, Kleinbaum, Mrs. Brataas and Mr. Anderson introduced—

S. F. No. 2193: A bill for an act relating to commerce; establishing certain time price differentials on retail installment sales of mobile homes; amending Minnesota Statutes 1978, Section 168.72.

Referred to the Committee on Commerce.

Mr. Merriam introduced—

S. F. No. 2194: A bill for an act relating to education; modifying the aid and levy for community education to take into account certain payments; amending Minnesota Statutes, 1979 Supplement, Section 124.271, Subdivisions 1a and 2; and 275.125, Subdivision 9.

Referred to the Committee on Education.

Messrs. Knoll, Laufenburger, Frederick, Kleinbaum and Purfeerst introduced—

S. F. No. 2195: A bill for an act relating to employment agencies; exempting certain medical doctor placement services from licensing provisions; amending Minnesota Statutes 1978, Section 184.21, Subdivision 2.

Referred to the Committee on Employment.

Messrs. Nichols and Setzepfandt introduced—

S. F. No. 2196: A bill for an act relating to intoxicating liquor; maximum fee for municipal licenses issued to clubs; amending Minnesota Statutes, 1979 Supplement, Section 340.11, Subdivision 11.

Referred to the Committee on Commerce.

Messrs. Merriam, Stumpf, Sillers, Dieterich and Nelson introduced—

S. F. No. 2197: A bill for an act relating to education; modifying and providing certain procedures for the termination, discharge and demotion of certain teachers; amending Minnesota Statutes 1978, Section 125.12, Subdivisions 3, 4, 8, 9, 10, 11, and by adding a subdivision; and 125.17, Subdivisions 2, 5, and 10; repealing Minnesota Statutes 1978, Section 125.17, Subdivisions 6, 7, 8 and 9.

Referred to the Committee on Education.

Messrs. Tennesen, Knoll, Merriam and Keefe, J. introduced—

S. F. No. 2198: A bill for an act relating to privacy; collection and dissemination of government data; classifying data as private, confidential and nonpublic; providing penalties; amending Minnesota Statutes 1978, Section 15.162, Subdivisions 1a, 3, 5a, and by adding subdivisions; 15.165, Subdivision 3, and by adding a subdivision; 600.23, Subdivision 3; and Chapter 15, by adding sections; Minnesota Statutes, 1979 Supplement, Sections 15.162, Subdivision 2a; 15.163, Subdivision 9; 15.166, Subdivision 4; 15.1692, Subdivision 2, and by adding a subdivision; 15.1693, by adding a subdivision; 15.1695, Subdivision 1, and by adding a subdivision; 15.1698, Subdivision 1, and by adding subdivisions; repealing Minnesota Statutes 1978, Section 299C.13; and Minnesota Statutes, 1979 Supplement, Section 15.1692, Subdivision 4.

Referred to the Committee on Judiciary.

Messrs. Tennesen, Knoll, Merriam and Keefe, J. introduced—

S. F. No. 2199: A bill for an act relating to privacy; collection and dissemination of government data; classifying data as private, confidential and nonpublic; amending Minnesota Statutes 1978, Sections 15.162, Subdivisions 3, 4, 5a, 5b, and by adding subdivisions; 15.165, by adding a subdivision; 241.021, Subdivision 1; 272.70; 297A.431; 390.11, by adding a subdivision; 600.23, Subdivision 3; Chapter 15, by adding sections; Chapter 134, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 15.163, Subdivision 6; 15.1692, Subdivision 4, and by adding a subdivision; and 15.1698, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Hughes, Dunn, Anderson, Merriam and Sillers introduced—

S. F. No. 2200: A bill for an act relating to education; improving education by creating a program of educational research and development by school districts; appropriating money.

Referred to the Committee on Education.

Mr. Stumpf introduced—

S. F. No. 2201: A bill for an act relating to public debt; providing a maximum interest rate on certain obligations; amending Minnesota Statutes 1978, Section 475.55, Subdivision 1.

Referred to the Committee on Commerce.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of the report on H. F. No. 1715 and reports pertaining to appointments. The motion prevailed.

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

S. F. No. 789: A bill for an act relating to commerce; registering and regulating continuing care facilities; providing a lien; providing for disclosure; providing a penalty; amending Minnesota Statutes 1978, Section 82.18.

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

Page 1, line 19, delete "an" and insert "a written"

Page 1, line 21, before the period insert "*but does not include care furnished in a nursing home licensed pursuant to chapter 144A*"

Page 2, after line 16, insert:

*"Subd. 9. "Minimum deposit" means a deposit equal to or greater than five percent of the entrance fee.*

*Subd. 10. "Subscription agreement" means a document prepared by the provider that is given to a prospective resident for signing and which (a) discloses the financial obligation of the prospective resident, and (b) requires the payment of a deposit, and (c) imposes an obligation on the signer to sign a residency agreement."*

Page 2, line 18, delete "act" and insert "section"

Page 4, line 12, delete the first "act" and insert "section"

Page 4, line 31, delete "shall" and insert "occurs"

Page 4, line 31, delete "occur"

Page 5, line 18, delete "will be" and insert "is"

Page 6, line 27, delete "such" and insert "these"

Page 6, line 32, delete "shorter period"

Page 6, delete line 33

Page 7, delete line 1 and insert "*for whatever period that the provider or manager has operated the facility if this period is less than five years;*"

Page 7, line 20, delete everything after "or"

Page 7, line 21, delete everything before the period, and insert "*for whatever period the provider has operated the facility if this period is less than three years*"

Page 9, line 16, delete "as may be" and insert "that is"

Page 9, line 17, delete "as" and insert "that"

Page 10, line 1, delete "shall" and insert "is"

Page 10, line 1, delete "be"

Page 10, line 16, delete "and"

Page 10, line 22, delete the period and insert a semicolon

Page 10, after line 22, insert:

*"(q) (1) The disclosure statement required by this section shall be in a form approved by the commissioner.*

*(2) The statement shall be written in language easily readable and understandable by a person of average intelligence and education.*

*(3) In determining whether a statement is readable, the commissioner shall consider at least the following factors:*

*(i) the simplicity of the sentence structure and the shortness of the sentences used;*

*(ii) the extent to which commonly used and understood words are employed;*

*(iii) the extent to which legal terms are avoided;*

*(iv) the extent to which references to other sections or provisions of the statement are minimized;*

*(v) the extent to which definitional provisions are incorporated in the text of the statement; and*

*(vi) any additional factors relevant to the readability or understandability of the statement which the commissioner prescribes by rule."*

Page 10, line 33, delete "such" and insert "the" and delete "as"

Page 11, line 10, delete "such" and insert "the" and delete "as"

Page 11, line 10, delete "department" and insert "commissioner"

Page 11, line 12, delete "75" and insert "65"

Page 11, line 13, delete "residency" and insert "subscription"

Page 11, line 13, after "and" insert "minimum"

*Page 11, line 14, delete "and" and insert "or if the subscription agreement requires a minimum deposit of more than one-third of the entrance fee, then the facility may have 50 percent of the units reserved and 50 percent of the facility must be completely constructed; and"*

Page 11, line 28, delete "of this"

Page 11, line 29, delete "act"

Page 12, line 15, delete everything before "authorized" and insert "issued by an insurer"

Page 12, line 16, delete "in favor of" and insert "with"

Page 12, line 16, after "provider" insert "as obligee"

Page 13, line 3, delete "such" and insert "these"

Page 13, line 15, delete "as may have" and insert "that has"

Page 13, line 23, delete "\$ . . . ." and insert *"two percent of the entrance fee"*

Page 13, line 26, delete *"shall be"*

Page 13, line 27, delete *"entitled to"* and insert *"may"*

Page 13, line 27, delete the language after *"bond"*

Page 13, delete lines 28 to 30 and insert *"issued by an insurer authorized to do business in this state. The bond shall be filed with the commissioner with the state as obligee, conditioned for the prompt payment to persons who are entitled to a refund of entrance fees from the provider."*

Page 13, line 32, delete *"shall become"* and insert *"is"*

Page 14, line 1, delete *"this act"* and insert *"section 3"*

Page 14, line 12, delete *"so"*

Page 14, line 19, delete *"must"* and insert *"shall"*

Page 14, line 23, delete *"shall be"* and insert *"is"*

Page 14, delete lines 27 to 29

Page 15, line 4, before *"At"* insert *"The provider shall notify the commissioner"*

Page 15, line 5, delete the comma and insert *". Upon receiving this notification"*

Page 15, line 5, delete *"may"* and insert *"shall"*

Page 15, line 9, delete *"shall be"* and insert *"is"*

Page 15, line 22, delete *"shall"*

Page 15, line 23, delete *"determine"* and insert *"determines"*

Page 15, line 26, delete *"this act"* and insert *"section 3"*

Page 15, line 30, delete *"such"* and insert *"the"*

Page 15, line 30, delete *"shall be"* and insert *"is"*

Page 16, line 17, delete *"this act"* and insert *"section 3"*

Page 16, lines 17 and 20, delete *"shall be"* and insert *"is"*

Page 16, line 22, delete *"shall determine"* and insert *"determines"*

Page 17, line 32, delete the comma and insert *". The order"*

Page 18, line 12, delete *"this act"* and insert *"section 3"*

Page 18, line 15, delete everything after *"bond"*

Page 18, delete lines 16 and 17

Page 18, line 18, delete everything before *"in"* and insert *"issued by an insurer authorized to do business in this state. The bond shall be filed with the commissioner, with the state as obligee, conditioned for the prompt payment to persons who are entitled*

to a refund of entrance fees from the provider or for the prompt payment of other damages,"

Page 18, line 20, delete the comma and insert ". The bond shall be"

Page 18, line 22, delete "need to be available" and insert "be needed"

Page 18, line 25, delete "this act" and insert "section 3"

Page 18, line 27, delete "hereof"

Page 19, line 18, delete "shall be" and insert "is"

Page 19, line 21, delete "this act" and insert "sections 1 to 12"

Page 19, line 29, delete "shall exist" and insert "exists"

Pages 19 and 20, delete subdivisions 3, 4 and 5 and insert:

"Subd. 3. Nothing contained in sections 1 to 16 shall be construed to limit the remedies a person has under any other law."

Page 20, lines 27, 28, 30 and 32, delete "this act" and insert "sections 3 to 16"

Page 21, lines 5, 16 and 23, delete "this act" and insert "sections 3 to 16"

Page 21, line 18, delete "such"

Page 21, lines 19 and 20, delete "such" and insert "the"

Page 21, line 28, delete "shall" and insert "is" and delete "be"

Page 21, line 30, delete "this act" and insert "sections 3 to 16"

Page 21, line 32, delete "\$100,000" and insert "\$10,000"

Page 21, line 32, delete "five" and insert "one"

Page 21, line 33, delete "years" and insert "year"

Page 23, line 26, delete "such" and insert "the"

Page 23, line 28, delete "this act" and insert "sections 3 to 16"

Page 23, after line 28, insert:

"Sec. 19. [EFFECTIVE DATE.] This act is effective November 1, 1980."

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

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

S. F. No. 1696: A bill for an act relating to the legislature; proposing an amendment to Article IV, Section 23 of the Minnesota Constitution; extending the ordinary period for the governor to consider vetoing a bill; providing for a simplified veto process; providing for a "veto session" of the legislature at which it may



consider overriding a governor's veto of a bill returned after the legislature's adjournment.

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

Page 2, line 30, delete "*third*" and insert "*fourth*"

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

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

S. F. No. 1827: A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, Section 12; adding a section to allow the legislature or presiding officers to call a special session.

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

Page 1, line 21, delete "*both houses*" and insert "*each house*"

Page 1, line 21, delete "*or upon the*"

Page 1, line 22, delete "*order of the presiding officers of both houses*"

Page 2, line 2, delete "*or*"

Page 2, line 3, delete "*order*"

Page 2, line 15, before "*agreement*" insert "*written*"

Page 2, line 15, delete "*or upon the order of*"

Page 2, line 16, delete "*its presiding officers*"

Amend the title as follows:

Page 1, line 4, delete "*section*" and insert "*provision*"

Page 1, line 4, delete "*or presiding*"

Page 1, line 5, delete "*officers*"

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

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

S. F. No. 2022: A bill for an act relating to state government; providing for the publication of certain agency data and for notice of vacancies on boards, commissions, councils, task forces, and similar agencies; appropriating money; amending Minnesota Statutes 1978, Section 15.0597, Subdivisions 3, 4, 5, 6 and 7.

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

Page 4, line 11, strike "and, if"

Page 4, strike line 12

Page 4, line 13, strike "whichever occurs first"

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

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

S. F. No. 1740: A bill for an act relating to education; changing the definition of teacher in the law governing limitations on the amount of severance pay for teachers; improving some of the language in a severance pay law; amending Minnesota Statutes, 1979 Supplement, Section 465.72.

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

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

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

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

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

S. F. No. 1996: A bill for an act relating to the city of Minneapolis; providing for positions in the unclassified service; amending Laws 1969, Chapter 937, Section 1, Subdivision 1, as amended, and by adding subdivisions.

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

Page 1, line 16, delete "9" and insert "8"

Page 2, line 3, delete "subdivisions" and insert "a subdivision"

Page 2, delete lines 4 through 6

Page 2, line 7, delete "9" and insert "8"

Amend the title as follows:

Page 1, line 2, after "for" insert "a"

Page 1, line 3, delete "positions" and insert "position"

Page 1, line 5, delete "subdivisions" and insert "a subdivision"

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

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

S. F. No. 1921: A bill for an act relating to the city of Moorhead; increasing the amount which the city may expend under a contract for public transportation services; amending Laws 1969, Chapter 192, Section 1.

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

Page 1, line 15, strike "city" and insert "*Moorhead-Fargo urbanized area*"

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

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

S. F. No. 1806: A bill for an act relating to economic development; creating a small business finance agency with authority to borrow to provide loans for small business projects.

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

Delete everything after the enacting clause and insert:

"Section 1. [362.50] [DEFINITIONS.] Subdivision 1. Each term defined in this section has the meaning given it whenever used in sections 1 to 4.

Subd. 2. "Agency" means the small business finance agency created in section 2.

Subd. 3. "Owner" means a person, partnership, firm, or corporation engaged in a small business and applying to the agency for a loan under section 3.

Subd. 4. "Small business" means an enterprise defined as a small business concern by the United States small business administration or by another agency or instrumentality of the United States to which the same or similar power may be granted, as authorized by 15 U.S. Code, Sections 631 et seq., on the effective date of this section.

Sec. 2. [362.51] [SMALL BUSINESS FINANCE AGENCY.] Subdivision 1. A small business finance agency is hereby created as a public body corporate and politic and a public corporation, and is constituted as an authority to act on behalf of the state within the scope of the powers granted to it in sections 1 to 4 to implement a loan program by which, in cooperation with cities, towns, counties and private or public lenders, adequate funds may be provided on sufficiently favorable terms to assist and encourage the establishment, maintenance and growth of small business in Minnesota and to reduce to a manageable level the cost of the control of pollution and disposal of waste resulting from the operations of small business.

Subd. 2. Sections 1 to 5 are enacted to promote the welfare and prosperity of the state by maintaining and increasing the career and job opportunities of its citizens, by reducing, controlling and preventing environmental pollution and waste of resources and by protecting and enhancing the tax base on which state and local governments depend for the financing of public services.

Subd. 3. Neither the state nor any other agency or political subdivision of the state shall be liable on any bond, note or other obligation of the agency, and no bond, note, or other obligation of the agency shall constitute a debt or loan of credit of the state or any political subdivision or any individual member of the agency.

Subd. 4. The state pledges and agrees with all holders of obligations of the agency that it will not limit or alter the rights vested in the agency to fulfill their terms, and will not in any way impair the rights or remedies of the holders, until all of the obligations and interest on them, with interest on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of such holders to enforce the payment and other provisions of the obligations, are fully met and discharged. The agency is authorized to include and recite this pledge and agreement of the state in any obligation or related document.

Subd. 5. The provisions of this section do not affect the power of the state to supervise and control the agency or to discontinue its operation or alter its organization, programs or activities or transfer its powers to a successor agency, provided that the action of the state is consistent with the provisions of subdivision 4 and that title to all property then owned by the agency will remain or vest in the agency, its successor or the state, as the case may be.

Subd. 6. The property of the agency and its income and operation shall be exempt from all taxation by the state or any of its political subdivisions and all bonds and notes of the agency shall be exempt from all taxation by the state or any of its political subdivisions.

Subd. 7. The state covenants with the purchasers and all subsequent holders and transferees of notes and bonds issued by the agency in consideration of the acceptance of and payment for the notes and bonds, that the notes and bonds of the agency issued pursuant to sections 1 to 4 and the income therefrom and all its fees, charges, gifts, grants, revenues, receipts, and other moneys received or to be received, pledges to pay or secure the payment of such notes or bonds shall at all times be free and exempt from all state, city, county or other taxation provided by the laws of the state, except for estate and gift taxes and taxes on transfers, and except for the Minnesota corporate franchise tax measured by income, so long as the interest on federal bonds is included in the income by which such tax is measured.

Subd. 8. The members and governing body of the agency shall be the commissioner of economic development and six other members holding no other elective or appointive office of the state or

any local government, appointed by the governor with advice and consent of the senate. The commissioner shall be vice chairman, and the governor shall designate the chairman from among the other members, to serve as chairman at the pleasure of the governor. Minnesota Statutes, Section 15.0575, governs the terms, compensation, removal and filling of vacancies in the offices of members other than the commissioner.

Subd. 9. The members shall be responsible for management and control of the agency. A majority of the members, excluding vacant memberships, is a quorum. When a quorum is present at any meeting of which notice has been given to or waived by all absent members in the manner provided in bylaws adopted by the vote of a majority of all members, any action of the agency may be taken by the vote of a majority of the members present. Fewer than a quorum may hear reports and adjourn from time to time.

Subd. 10. The commissioner of economic development shall designate an assistant commissioner as executive director of the agency and may appoint permanent and temporary employees necessary for the administration of the agency. The governing body of the agency may enter into agreements under which the department will provide administrative support for the agency.

Sec. 3. [362.52] [LOANS.] Subdivision 1. The agency may participate with banks, savings institutions, investment bankers, insurance companies and other financial institutions in making and committing to make or purchase business facilities loans and pollution control facilities loans, as described in subdivisions 2 and 3 of this section.

Subd. 2. Business facilities loans shall consist of:

(a) Mortgage loans to owners of small businesses for:

(1) Interim or long term financing of projects consisting of the acquisition, construction, or improvement of land and buildings, or the substantial improvement of existing buildings and land in connection therewith, or

(2) The installation of fixtures and other capital expenditures to make facilities useful in connection with the conduct of a small business; and

(b) Secured loans to owners of small businesses for capital expenditures in the purchase of equipment useful in connection with the conduct of a small business.

Subd. 3. Pollution control facilities loans shall consist of loans for the purpose of pollution control facilities, evidenced and secured by qualified contracts under which the full amount of payments due is guaranteed or to be guaranteed, as a full faith and credit obligation of the United States, by the United States Small Business Administration or by another agency or instrumentality of the United States to which the same or similar power may be granted. On the effective date of this section, the guarantees are

authorized by 15 U.S. Code, Sections 694-1 and 694-2, in which pollution control facilities are defined as real and personal property as the administration, in its discretion, determines is likely to help prevent, reduce, abate or control noise, air, or water pollution or contamination by removing, altering, disposing or storing pollutants, contaminants, wastes or heat and real and personal property as the administration determines will be used for the collection, storage, treatment, utilization, processing or final disposal of solid or liquid waste.

Subd. 4. The agency's participation in any business facilities loan may not exceed 90 percent of the principal amount thereof. The total principal amount of any business facilities loan may not exceed 90 percent of the appraised value or the purchase price of the property which will secure the loan, whichever is less, unless the amount in excess of 90 percent is loaned from surplus funds of the agency available for that purpose under the terms of the instrument securing its outstanding obligations, or unless insurance is procured from a federal agency or from a private insurer satisfactory to the governing body of the agency and qualified to write the insurance in the state, insuring a percentage of any claim for loss at least equal to that percentage of the value or price by which the loan exceeds 90 percent of the value or price, as the case may be. The value and price of the property shall be certified by the participating bank, savings institution, investment banker, mortgage banker, insurance company or other financial institution on the basis of appraisals, bids, purchase orders and engineers' certificates as to work and materials furnished in conformity with plans and specifications and construction contracts as the agency may require. No other indebtedness of the borrower for any loan made other than pursuant to this section may be secured by a mortgage on or security interest in property securing a loan made pursuant to this section.

Subd. 5. No business facilities loan made for the purpose of providing long term financing for construction or substantial improvement of property shall be disbursed unless the construction or improvement has been completed in accordance with plans and specifications or unless the bank, savings institution, investment banker, mortgage banker, insurance company or other financial institution furnishes an irrevocable letter of credit or a qualified corporate surety furnishes payment and performance bonds or both satisfactory to the governing body of the agency and in the aggregate amount payable under the construction contract.

Sec. 4. [362.53] [POWERS; DUTIES.] Subdivision 1. In implementing its corporate purposes and the programs described in sections 1 to 3, the agency shall have the powers and duties set forth in this section.

Subd. 2. It may sue and be sued.

Subd. 3. It may have a seal and alter the same at will.

Subd. 4. It may adopt, amend and repeal rules not inconsistent with the provisions of sections 1 to 4 as necessary to effectuate its corporate purposes.

Subd. 5. It may acquire, hold and dispose of personal property for its corporate purposes.

Subd. 6. It may enter into agreements or other transactions with any federal or state agency, any person and any domestic or foreign partnership, corporation, association or organization.

Subd. 7. It may acquire real property, or an interest therein, in its own name, by purchase or foreclosure, where such acquisition is necessary or appropriate to protect any loan in which the agency has an interest and may sell, transfer and convey any such property to a buyer and, in the event such sale, transfer or conveyance cannot be effected with reasonable promptness or at a reasonable price, may lease such property to a tenant.

Subd. 8. It may sell, at public or private sale, any note, mortgage or other instrument or obligation evidencing or securing a loan.

Subd. 9. It may procure insurance against any loss in connection with its property in such amounts, and from such insurers, as may be necessary or desirable.

Subd. 10. It may consent, whenever it deems it necessary or desirable in the fulfillment of its corporate purpose, to the modification of the rate of interest, time of payment or any installment of principal or interest, or any other term, of any mortgage loan, mortgage loan commitment, construction loan, temporary loan, contract or agreement of any kind to which the agency is a party.

Subd. 11. It may borrow money to carry out and effectuate its corporate purpose and may issue its negotiable bonds or notes as evidence of any such borrowing in accordance with sections 462A.08 to 462A.13, 462A.16 and 462A.17. The aggregate principal amount of the agency's general obligation bonds and notes outstanding at any one time, excluding the amount satisfied and discharged by payment or provision for payment in accordance with their terms, and deducting amounts held in debt service reserve funds therefor, shall not exceed \$100,000,000 unless authorized by another law.

Subd. 12. It may issue and sell revenue bonds, notes and other obligations payable solely from particular moneys, assets or revenues derived from its programs.

Subd. 13. It may sell any of its obligations at public or private sale, at such price or prices as the agency shall determine, notwithstanding the limitation on sale price in the fourth sentence of section 462A.09.

Subd. 14. It may establish and collect reasonable interest and amortization payments on loans, and in connection therewith may establish and collect or authorize the collection of reasonable fees and charges or require funds to be placed in escrow, sufficient to provide for the payment and security of its bonds, notes, commitments and other obligations and for the servicing thereof, to provide reasonable allowances for or insurance against losses which may be incurred and to cover the cost of issuance of obligations and technical, consultative and project assistance services. It shall

require the payment of all processing, administrative and guarantee fees and the deposit in escrow of all funds required by the small business administration or other federal agency or instrumentality guaranteeing any loan and shall comply and enforce compliance with all terms and conditions of each guarantee, and the prompt filing of all claims which may arise thereunder.

Subd. 15. It may cause any funds not required for immediate disbursement to be invested in direct obligations of or obligations guaranteed as to principal and interest by the United States, or in insured savings accounts, up to the amount of the insurance, in any institution the accounts of which are insured by the federal savings and loan insurance corporation or to be deposited in a savings or other account in a bank insured by the federal deposit insurance corporation or to be invested in time certificates of deposit issued by a bank insured by the federal deposit insurance corporation and maturing within one year or less.

Subd. 16. It may provide general consultative and technical services to assist in financing small business facilities for which loans may be made pursuant to section 3. It may enter into agreements or other transactions concerning the receipt or provision of those services.

Subd. 17. Financial information, including, but not limited to, credit reports, financial statements and net worth calculations, received or prepared by the agency regarding any project loan is private data on individuals as defined in Minnesota Statutes, Section 15.162, Subdivision 5a.

Subd. 18. It may accept appropriations, gifts, grants, bequests and devises and use or dispose of them for its corporate purposes.

Subd. 19. All proceeds of the agency's bonds, notes and other obligations, all income from their investment and all revenues from loans, fees and charges of the agency are annually appropriated to the agency for the accomplishment of its corporate purposes and shall be expended, administered and accounted for in accordance with the applicable provisions of all bond and note resolutions, indentures and other instruments, contracts, and agreements of the agency. Notwithstanding Minnesota Statutes, Section 16A.28, these appropriations are available until expended.

Sec. 5. [362.132] [SMALL BUSINESS FINANCE AGENCY.] The commissioner of economic development may enter into agreements or transactions with the small business finance agency created under section 2 to perform any or all administrative tasks in connection with the exercise and implementation of the powers and programs of the small business finance agency.

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

Amend the title as follows:

Page 1, line 3, delete "borrow" and insert "sell tax exempt revenue bonds"



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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 597: A bill for an act relating to motor vehicles; requiring an identification number on vehicles used in enforcing highway traffic safety regulations; amending Minnesota Statutes 1978, Section 169.98, Subdivision 1.

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

Page 1, line 13, strike "all"

Page 1, line 14, strike "any" and insert "a"

Page 1, line 16, strike "herein" and insert "*in this section*"

Page 1, line 16, delete "*Each*" and insert "A"

Page 2, line 1, strike "such" and insert "*the*"

Page 2, line 3, strike "such" and insert "*the*"

Page 2, line 8, strike "thereon"

Page 2, line 12, strike "such" and insert "*the*"

Page 2, line 16, strike "All"

Page 2, delete lines 22 and 23

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 1715: A resolution memorializing the Civil Aeronautics Board and the President of the United States to authorize non-stop service by Northwest Airlines between Minneapolis-St. Paul and London.

Reports the same back with the recommendation that the resolution do pass and be placed on the Consent Calendar. Mr. Coleman questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 1615: A bill for an act relating to transportation; repealing a certain administrative rule of the department of transportation enforcing parallel parking on certain streets and highways.

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

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

S. F. No. 2041: A bill for an act relating to education; the maximum effort school aid law; changing the definition of "maximum effort debt service levy"; authorizing the sale of bonds for the maximum effort school loan fund; appropriating money; amending Minnesota Statutes 1978, Sections 124.38, Subdivision 7; 124.43, Subdivisions 1 and 2.

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

Page 1, lines 13 to 24, reinstate the stricken language and delete the new language

Page 1, line 17, strike "20" and insert "15"

Page 2, lines 1 to 19, 28 to 30, and 33, reinstate the stricken language and delete the new language

Page 3, line 2, reinstate the stricken language and delete "(3)"

Page 3, line 3, delete "or (2)"

Page 6, line 7, delete "school loan" and insert "equalization aid review"

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

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

S. F. No. 1550: A bill for an act proposing an amendment to the Minnesota Constitution, Article V, Section 3; removing the requirement that notaries public be approved by the senate.

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

Page 2, after line 15, insert:

"Sec. 3. Minnesota Statutes 1978, Section 359.01, is amended to read:

359.01 [COMMISSION.] The governor may appoint and commission as notaries public, by and with the advice and consent of the senate, as many citizens of this state, over the age of 18 years, resident in the county for which appointed, as he deems necessary. The fee for each commission shall not exceed \$10, and shall be paid to the governor's private secretary.

Sec. 4. Sections 1 to 3 are effective for notaries public appointed after January 1, 1981 if the constitutional amendment proposed in sections 1 and 2 is approved pursuant to section 2 prior to that date. Unless the proposed constitutional amendment is approved prior to January 1, 1981, section 3 is of no effect."

Amend the title as follows:

Page 1, line 5, after "senate" insert "; amending Minnesota Statutes 1978, Section 359.01"

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

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

S. F. No. 769: A bill for an act relating to security guards; providing for the certification and training of security guards; setting forth criteria for the use of deadly force by security guards; prescribing penalties; amending Minnesota Statutes 1978, Section 326.336, Subdivisions 1 and 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 326.32, is amended by adding a subdivision to read:

*Subd. 12. "Proprietary security force" means the internal security force of a private firm or corporation.*

Sec. 2. Minnesota Statutes 1978, Section 326.33, Subdivision 1. is amended to read:

326.33 [BOARD OF PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES; CREATION.] Subdivision 1. There is hereby created a board of private detective and protective agent services, consisting of the attorney general or a departmental employee designated by him; the superintendent of the bureau of criminal apprehension or a departmental employee designated by him; and ~~a two licensed private detective detectives or protective agents, a representative from a proprietary security force and two~~ public members appointed by the governor. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements shall be as provided in sections 214.07 to 214.09. The provision of staff, administrative services and office space; the review and processing of complaints; the setting of board fees; and other provisions relating to board operations shall be as provided in chapter 214 and Laws 1976, Chapter 222, Sections 2 to 7.

The board members shall meet as they deem necessary and conduct such business ascribed to the board by the provisions of sections 326.331 to 326.339. The board shall designate one of the board members to fulfill the capacity of board chairman who will remain in the capacity of chairman for a term of one year. The board shall have the option of retaining or replacing a board member as chairman.

Sec. 3. Minnesota Statutes 1978, Section 326.331, is amended to read:

**326.331 [LICENSES.]** No person shall engage in the business of private detective, investigator, or protective agent for hire, fee or reward, or advertise or indicate in any letter, document or verbally that he is so engaged or available to supply such services *and no person shall operate a proprietary security force* without having first obtained a license as herein provided. Any person desiring to engage in such business may for each office or agency to be maintained by such person apply to the commissioner of public safety for a license. Upon application by any person qualified under sections 326.331 to 326.339 to engage in such business, the board of private detective and protective agent services shall issue such a license for a period of two years upon the conditions herein set forth, such license to continue for said period so long as such licensee remains a qualified person and complies with the provisions of sections 326.331 to 326.339 and with the laws of Minnesota. No person shall be deemed qualified to hold such a license who has been convicted of felony by the courts of this or any other state or of the United States, or who has been convicted anywhere of acts which if done in Minnesota would be assault, theft, larceny, unlawful entry, extortion, defamation, buying or receiving stolen property, using, possessing, or carrying weapons or burglar tools or escape, or who has been convicted in any other country of acts which if done in Minnesota would be a felony or would be any of the other offenses specified above, nor shall any person who shall make any false statement in any application for license hereunder be deemed a qualified person to hold any such license. *Violation of this section is a misdemeanor and a person having operated as a private detective or protective agent in violation of sections 326.32 to 326.339 on or after the effective date of this act may be denied a license upon application.* No other license shall be required by any other political unit or subdivision.

Sec. 4. Minnesota Statutes 1978, Section 326.332, Subdivision 1, is amended to read:

**326.332 [APPLICATION FOR LICENSE.]** Subdivision 1. The application for such license shall be in duplicate and shall state:

(1) The full name, age, sex, residence for the past five years, present and previous occupations and employers, of all persons signing the application;

(2) That each person signing the application has attained the age of majority;

(3) That the person, firm, or corporation applying for the license is a resident of the state of Minnesota, or that the applicant holds an equivalent license in another state, which state shall be set forth;

(4) The municipality, stating the street and number or such apt description as will reasonably indicate the location in said municipality, where the licensed office of the applicant is to be located;

(5) Such further facts as may be required by the commissioner of public safety to show the good character, competency and integrity of each person signing the application;

(6) If applicant is a corporation, the name of the corporation, the date and place of its incorporation, the location of its principal place of business or registered office, in its state of incorporation;

(7) That the applicant has been a bona fide resident of the state of Minnesota for a period of six months immediately preceding the filing of the application or is presently a license holder in another state;

(8) That the license holder, one member of a partnership or one corporate member of a corporation shall be ~~an active participant~~ *the qualifying applicant and a regular employee* in said licensee's business, and that the branch manager or director of a licensee's Minnesota based office shall have the same qualifications as a license holder and shall comply with all provisions of sections 326.331 to 326.339.

Sec. 5. Minnesota Statutes 1978, Section 326.333, is amended to read:

326.333 [INFORMATION AND MATERIAL ACCOMPANYING APPLICATION.] Each such application shall be accompanied by:

(1) A surety bond executed by a company authorized to do business in the state of Minnesota wherein the applicant shall be principal, with sureties to be approved by the commissioner of public safety, to the state of Minnesota, in the penal sum of \$5,000, upon the condition that applicant and each of applicant's employees shall faithfully observe all the laws of Minnesota and of the United States, including sections 326.331 to 326.339, and shall pay all damages suffered by any person by reason of the violation of any such law by applicant or by the commission of any wilful and malicious wrong by any such applicant in the course of the conduct of such business. Action upon such bond may be brought by any person so aggrieved not later than within two years of the act complained of;

(2) For each person signing the application the verified certificates of at least five citizens not related to the signer who have known the signer for more than five years, certifying that the signer is of good moral character;

(3) Two photographs and a full set of fingerprints for each person signing the application;

" (4) A duly acknowledged certificate evidencing the fact that at least one of the persons *qualifying applicant* signing the application for private detective has been regularly employed as a detective by a licensed detective agency or has been a member of the United States government investigative service, a sheriff or member of a city police department of a rank or grade of sergeant or higher, or equivalent occupation, for a period of not less than three years;

(5) An acknowledged certificate evidencing the fact that at least one of the persons *qualifying applicant* signing the application for protective agent has been regularly employed as a detec-

tive or has been a member of the United States government investigative service, a sheriff or member of a city police department of a rank or grade higher than that of patrolman, or equivalent part time occupation or special training, for a period of not less than three years; or has completed a course prescribed by the state police officers training board.

Sec. 6. Minnesota Statutes 1978, Section 326.336, Subdivision 1, is amended to read:

326.336 [EMPLOYEES OF LICENSEES.] Subdivision 1. A licensee may employ, in connection with the business of private detective or protective agent, as many unlicensed persons as may be necessary; provided however, that every licensee is at all times accountable for the good conduct of every person employed by him in connection with the business of private detective or protective agent. *Every licensee shall be accountable for persons certified as security guards under the provisions of sections 12 to 16.*

Sec. 7. Minnesota Statutes 1978, Section 326.336, Subdivision 2, is amended to read:

Subd. 2. An identification card shall be issued to each employee of a private detective agency or protective agency and shall be in his possession at all times. Such identification card shall be issued by the license holder and contain the license holder's logo, corporate or company name, duly signed by the license holder or branch manager, the office address of the license holder or Minnesota branch of said license holder, the employee's photograph *and certificate number if he is a security guard*, and physical description, and shall bear the employee's signature. No identification card shall bear the word "police" or any other marking indicating the holder is a member of a police department or peace officer. The issuing agency shall have its name printed in full on said card and no initials that would correspond with municipal, state or federal law enforcement agencies shall be printed thereon.

Sec. 8. Minnesota Statutes 1978, Section 326.336, is amended by adding a subdivision to read:

*Subd. 5. A name tag bearing the name of the employee shall be issued to each uniformed employee and shall be displayed at all times.*

Sec. 9. Minnesota Statutes 1978, Section 326.336, is amended by adding a subdivision to read:

*Subd. 6. A shoulder patch with the full name of the licensee shall be on each uniformed employee.*

Sec. 10. Minnesota Statutes 1978, Section 326.337, Subdivision 1, is amended to read:

326.337 [VIOLATIONS: PENALTY.] Subdivision 1. It is unlawful for the holder of a license knowingly to commit any of the following acts within or without the state of Minnesota: To incite, encourage, or aid in the incitement or encouragement of any person who has become a party to any strike to do unlawful acts or to

incite, stir up, create, or aid in the inciting of discontent or dissatisfaction among the employees of any person, firm, or corporation with the intention of having them strike; to interfere with or prevent lawful and peaceful picketing during strikes; to interfere with, restrain or coerce employees in the exercise of their right to form, join, or assist any labor organization of their own choosing; to interfere with or hinder the lawful or peaceful collective bargaining between employees and employers; to pay, offer or give any money, gratuity, favor, consideration, or other thing of value, directly or indirectly, to any person for any verbal or written report of the lawful activities of employees in the exercise of their right of self-organization and their right to form, join, or assist labor organizations and to bargain collectively through representatives of their own choosing; to advertise for, recruit, furnish or replace, or offer to furnish or replace, for hire or reward, within or without Minnesota, any help or labor, skilled or unskilled, or to furnish or offer to furnish armed guards, other than armed guards regularly employed for the protection of payrolls, property, or premises, for service upon property which is being operated in anticipation of or during the course or existence of a strike, or furnish armed guards upon the highways, for persons involved in labor disputes, or to furnish or offer to furnish to employers or their agents any arms, munitions, tear gas implements, or any other weapons; to use in any manner the word *words* "police," "patrol," "law enforcement," or the name of the local city, county or state on any vehicle, badge, emblem, stationery, advertising of any private detective or protective agent as defined in section 326.338 and no vehicle, emblem, or badge shall be designed or worn as imitative of any such vehicle, emblem, or badge used by a police department, highway patrol, or peace officer, or to send letters or literature to employers offering to eliminate labor unions, or distribute or circulate any list of members of a labor organization, or to advise any person of the membership of an individual in a labor organization for the express purpose of preventing those so listed or named from obtaining or retaining employment. Any person who violates the provisions of this subdivision is guilty of a gross misdemeanor.

Sec. 11. Minnesota Statutes 1978, Section 326.338, Subdivision 2, is amended to read:

Subd. 2. Any person who shall furnish, for hire or reward, watchmen or guards or private patrolmen or other persons to protect other persons or their property or to prevent the theft, unlawful taking of goods, merchandise or money, or to prevent the misappropriation or concealment of goods, merchandise, money, choses in action, or other valuable things, or to procure the return thereof; shall be deemed engaged in the business of protective agent, provided that no person engaged exclusively in making investigations and reports respecting the financial rating and credit responsibility of persons or corporations engaged in business, or respecting financial rating, credit responsibility and character of applicants for insurance, indemnity bonds or commercial credit, shall be deemed engaged in such business or that of private

detective, nor shall any employee or peace officer of the United States or of this or any state while in the discharge of his official duties, nor any attorney at law engaged in the discharge of his professional duties, nor any full time employee making investigations respecting pending or possible claims against his employer be deemed engaged in such business. *However, when an employee or peace officer of the United States or of this or any other state is not in the discharge of his official duties and when an attorney at law is not engaged in the discharge of his professional duties, he is subject to the provisions of sections 326.32 to 326.339. A licensed private detective may perform those duties attributable to a protective agent without obtaining any additional license.*

**Sec. 12. [326.341] [DEFINITIONS.] Subdivision 1.** *For the purposes of sections 12 to 17, the terms defined in this section have the meanings given them.*

**Subd. 2. "Board"** *means the board of private detective and protective agent services.*

**Subd. 3. "Deadly force"** *means force which the actor uses with the purpose of causing, or which the actor should reasonably know creates a substantial risk of causing death or great bodily harm. The intentional discharge of a firearm in the direction of another person, or at a vehicle or location in which another person is believed to be, is use of deadly force.*

**Subd. 4. "Security guard"** *means any person who is paid a fee, wage or salary by any person required to be licensed pursuant to section 326.331 to perform one or more of the following functions:*

*(a) Prevention or detection of intrusion, unauthorized entry or activity, vandalism, or trespass on private property;*

*(b) Prevention or detection of theft, loss, embezzlement, misappropriation, or concealment of merchandise, money, bonds, stock, notes, or other valuable documents or papers;*

*(c) Control, regulation, or direction of the flow or movements of the public, whether by vehicle or otherwise, to assure protection of private property;*

*(d) Protection of individuals from bodily harm; or*

*(e) Enforcement of policies and rules of his employer related to crime reduction insofar as the enforcement falls within the scope of his duties.*

*The term "security guard" does not include: (i) auditors, accountants, and accounting personnel performing audits or accounting functions; (ii) employees of a firm licensed pursuant to section 326.331 whose duties are primarily administrative or clerical in nature; (iii) unarmed watchmen whose primary duty is the prevention or detection of fire; (iv) personnel temporarily employed pursuant to statute or ordinance by political subdivisions to provide protective services at social functions.*

**Subd. 5. "Protective agency"** *means any individual, partnership*



or corporation licensed under the provisions of Minnesota Statutes, Sections 326.331 to 326.339.

*Subd. 6. "Proprietary security force" means the internal security force of a private firm or corporation.*

**Sec. 13. [326.342] [CERTIFICATION OF SECURITY GUARDS.]** *Subdivision 1. After January 1, 1981, no person may engage in the work of security guard without first being certified by the board unless he is exempted from such requirement under the provisions of section 15.*

*If a person is employed as a security guard by a protective agency or proprietary security force, he shall, within 30 days of the beginning of his employment, make application to the board for certification. Until he has received board certification, a person employed as a security guard may not serve as an armed guard.*

*Subd. 2. To become a certified security guard a person must satisfy the board that he:*

*(a) Has attained the age of 18;*

*(b) Has satisfactorily completed a board certified general training course;*

*(c) Has not been active in the criminal justice system for an arrest or conviction in the state of Minnesota or any other state for any criminal offense that under Minnesota law would be classified as a gross misdemeanor or felony within the last seven years;*

*(d) Meets the following minimum physical standards:*

*(i) Vision correctable to 20/30 (Snellen) in each eye; and*

*(ii) Capable of hearing ordinary conversation at a distance of 15 feet with each ear;*

*(e) Has satisfactorily completed a board certified course in the use of firearms and first aid if in the course of employment the applicant will be required or permitted to carry or have ready access to firearms.*

*Subd. 3. The board shall establish forms and procedures for the processing of applications. The board shall also establish procedures relating to certificate issuance and annual renewal. The board shall establish certificate fees based upon actual cost of issuing the certificate. All fees collected pursuant to sections 12 to 16 are nonrefundable and shall be deposited with the state treasurer and credited to the general fund.*

*Subd. 4. An application for a security guard certificate shall state:*

*(a) The full name, age, sex, residence for the past ten years, and present and previous employers for the past ten years, of the person signing the application;*

*(b) That the person signing the application has attained the age of 18; and*

(c) Any other relevant information which the board deems necessary to properly evaluate the qualifications of the applicant.

An application shall be accompanied by a full set of fingerprints and evidence that the applicant has satisfactorily completed required training programs.

Subd. 5. It shall be the duty of the board to compare fingerprints obtained from applicants with state criminal identification records, to cause to have conducted a sufficient investigation of the person signing the application so as to determine his competence, character and fitness for certification.

Sec. 14. [326.343] [TRAINING REQUIREMENTS FOR SECURITY GUARDS.] The board shall adopt rules with respect to the certification of security guard training schools and courses. The rules shall be adopted by January 1, 1981. Those eligible for certification shall include community colleges with law enforcement programs, four year colleges with criminal justice programs, area technical-vocational schools with law enforcement programs and any other organization the board determines has facilities and instructors qualified to provide security guard general training. Training courses shall be for a minimum of 16 hours. The board may revoke certification of any school or organization which fails to maintain minimum standards of training.

Until adoption of rules, the board may provisionally certify security guard training schools and courses.

The board shall establish by rule a continuing training program for security guards. Persons exempted from certification under section 15 must participate in training programs and meet minimum training requirements within a specified period of time as determined by the board.

Sec. 15. [326.344] [EXEMPTIONS FROM CERTIFICATION REQUIREMENT.] Subdivision 1. A person engaged in the work of security guard for at least 800 hours before January 1, 1981 is exempt from the certification and training provisions of sections 12 to 16. Upon application the board shall provide any person who qualifies for exemption with a certificate of exemption.

Subd. 2. The board may grant exemptions from the security guard certification and training requirements of sections 12 to 16 under the following conditions:

(a) In the case of an emergency arising out of a natural disaster, labor dispute, civil disorder, fire or explosion, temporary personnel may be employed upon request of a protective agency or proprietary security force for an exemption for the purpose of supplementing security forces at the emergency site. The exemption shall apply for a period not to exceed 90 days from the date the exemption is granted or the duration of the emergency whichever is shorter.

(b) In the case of a natural disaster, fire or explosion, companies having persons who volunteer their assistance but who are

*under current employment in capacities other than security may request exemption for the purpose of employing those volunteers as emergency security forces for the evacuation and control of personnel and for assistance to civil or company authorities for the duration of the emergency.*

*Subd. 3. In the event a bona fide requirement for the service of a security guard or guards exists as determined by the board and for which no persons certified under the provisions of sections 12 to 16 are available, the board may grant a 30 day exemption from the certification requirement on an individual basis for the specific purpose of allowing an individual or individuals to acquire training and certification under the provisions of sections 12 to 16. For that period, the individual or individuals may assume the duties of an unarmed guard. This exemption shall apply to protective agencies and proprietary security forces. No more than one exemption shall be granted to any one individual.*

**Sec. 16. [326.345] [PENALTIES.]** *Subdivision 1. Any person who shall engage in the work of security guard without first having obtained a certificate under the provisions of sections 12 to 16 or a certificate of exemption under section 15, subdivision 1, is guilty of a misdemeanor.*

*Subd. 2. Any proprietary security force or protective agency who employs a person in the work of security guard when that person has not been certified under the provisions of sections 12 to 16 is guilty of a misdemeanor.*

**Sec. 17. [326.346] [AUTHORIZED USE OF DEADLY FORCE BY ARMED PRIVATE SECURITY GUARDS.]** *The use of deadly force by a security guard in the course of employment is justified only when necessary to protect himself or another from apparent death or great bodily harm. This section may not be used as a defense in a civil action.*

**Sec. 18. [EFFECTIVE DATE.]** *This act is effective January 1, 1981."*

Amend the title as follows:

Page 1, line 6, delete "Section" and insert "Sections 326.32, by adding a subdivision; 326.33, Subdivision 1; 326.331; 326.332, Subdivision 1; 326.333;"

Page 1, line 7, after "2" insert ", and by adding subdivisions; 326.337, Subdivision 1; and 326.338, Subdivision 2"

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

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

S. F. No. 1863: A bill for an act relating to courts; providing for additional clerk and administrator duties in conciliation court; providing that an informational pamphlet be prepared and dis-

tributed to parties in conciliation court; providing for a procedure to assist in collection of conciliation court judgments; providing penalties; amending Minnesota Statutes 1978, Sections 487.30, by adding subdivisions; 488A.13, Subdivision 2; 488A.16, Subdivision 8; 488A.30, Subdivision 2; and 488A.33, Subdivision 7.

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

Pages 1 and 2, delete section 1

Page 2, line 9, delete "*file with the court*" and insert "*mail to the judgment creditor*"

Page 2, line 17, after the first "*to*" insert "*satisfy the judgment or*"

Page 2, line 17, delete "*return*" and insert "*mail*"

Page 2, line 17, delete "*court*" and insert "*judgment creditor*"

Page 2, line 18, delete "*one week*" and insert "*seven days*"

Page 2, line 18, delete "*receipt*" and insert "*service of the order*"

Page 2, line 19, delete "*party*" and insert "*judgment debtor*"

Page 2, line 19, delete "*, with notice of the*"

Page 2, line 20, delete "*possible contempt citation,*"

Page 2, line 21, delete the comma

Page 3, line 6, delete everything after the period

Page 3, delete lines 7 to 10

Page 3, line 11, delete everything before "*The*"

Page 3, after line 23, insert:

"Sec. 3. Minnesota Statutes 1978, Section 488A.14, Subdivision 4, is amended to read:

Subd. 4. [HEARING, DATE; SUMMONS.] When an action has been properly commenced, the clerk shall set a date for court hearing and advise the plaintiff of the date set. The clerk shall promptly summon the defendant by mail or by personal service in the manner then provided for personal service of a summons of said the municipal court. The summons shall state the amount and nature of the claim; shall require the defendant to appear at the hearing; shall specify that if he does not appear judgment by default will be entered against him for the relief demanded and shall summarize the requirements for filing a counterclaim. Unless otherwise ordered by a judge, the hearing date shall be not less than ~~ten~~ 15 days from the date of mailing or service of the summons.

Sec. 4. Minnesota Statutes 1978, Section 488A.14, Subdivision 5, is amended to read:

Subd. 5. [COUNTERCLAIM.] (a) The defendant may interpose

as counterclaim any claim within the jurisdiction of the court which he has against the plaintiff whether or not arising out of the transaction or occurrence which is the subject matter of the plaintiff's claim.

(b) The counterclaim shall be interposed by filing with the clerk a brief statement of the amount, date of accrual and nature of the counterclaim, verified by the defendant or his attorney, and paying a filing fee of \$2 to the clerk. If the defendant is not represented by an attorney the clerk shall draw up the counterclaim on request.

(c) The clerk shall note the filing of the counterclaim on the original claim, promptly notify the plaintiff or his attorney by mail of the filing and set the counterclaim for hearing on the same date as the original claim.

(d) The counterclaim shall be filed not less than *five ten* days before the date set for court hearing. The judge, in his discretion, may thereafter allow the filing of a written or oral counterclaim before or after hearing the merits of the claim and counterclaim. The judge, in his discretion, may require the payment of absolute or conditional costs up to \$25 by the defendant as a condition of allowing late filing in the event that a continuance is requested by the plaintiff and is granted because of *such the* late filing.

(e) If the defendant has a counterclaim arising out of the same transaction or occurrence which exceeds the jurisdiction of the court and the defendant files an affidavit by himself or his attorney with the clerk not less than *five ten* days before the date set for court hearing showing that he has filed with the clerk of a specified other court of competent jurisdiction a summons and complaint seeking recovery from the plaintiff on the counterclaim and stating the nature and amount thereof, the clerk shall strike the action from the calendar and so advise the plaintiff or his attorney by mail. If the plaintiff not less than 30 days nor more than three years after the filing of such an affidavit shall file an affidavit showing that he has not been served with a summons in the other action or that the other action has been finally determined, the clerk shall again set the cause for court hearing and summon the defendant in the same manner as for the initial hearing and the court shall proceed to hear and determine plaintiff's claim. If no such counter affidavit is filed by plaintiff within three years, his original claim is dismissed without prejudice without any further action by the clerk or any judge. Prior to the expiration of this three year period the plaintiff's original claim may be dismissed by plaintiff or by court order at a hearing upon motion of the defendant.

Sec. 5. Minnesota Statutes 1978, Section 488A.16, Subdivision 2, is amended to read:

Subd. 2. [ENTRY OF JUDGMENT.] The clerk shall enter judgment forthwith as ordered by the court, dating the judgment entry the same date as notice is mailed to the parties. Unless: (1) otherwise ordered by a judge, (2) payment has been made in full,

(3) removal to municipal court has been perfected or (4) an order vacating the prior order has been filed, the judgment so entered by the clerk becomes finally effective ~~ten~~ 15 days after the mailing of notice.

Sec. 6. Minnesota Statutes 1978, Section 488A.16, Subdivision 5, is amended to read:

Subd. 5. [VACATION OF ORDER FOR JUDGMENT WITHIN FIFTEEN DAYS.] When a default judgment or a judgment of dismissal on the merits has been ordered for failure to appear, the judge, within ~~ten~~ 15 days after notice thereof was mailed, may vacate the order for judgment ex parte and grant a new hearing, if the defaulting party shows lack of notice, mistake, inadvertence, or excusable neglect as the cause of his failure to appear. Absolute or conditional costs not exceeding \$25 to the other party may be ordered as a prerequisite to that relief. The clerk shall notify the other party by mail of the new hearing date.

Sec. 7. Minnesota Statutes 1978, Section 488A.16, Subdivision 6, is amended to read:

Subd. 6. [VACATION OF JUDGMENT AFTER FIFTEEN DAYS.] When a defendant shows that he did not receive a summons before the hearing within sufficient time to permit a defense and that he did not receive notice of the order for default judgment within sufficient time to permit him to make application for relief within ~~ten~~ 15 days or shows other good cause within six months from the date of entry of judgment, a judge may vacate a default judgment with or without payment of absolute or conditional costs. The clerk shall notify the parties by mail of the new hearing date."

Page 4, line 6, delete "*file with the court*" and insert "*mail to the judgment debtor*"

Page 4, line 14, after the first "*to*" insert "*satisfy the judgment or*"

Page 4, line 14, delete "*return*" and insert "*mail*"

Page 4, line 14, delete "*court*" and insert "*judgment creditor*"

Page 4, line 15, delete "*one week*" and insert "*seven days*"

Page 4, line 15, delete "*receipt*" and insert "*service of the order*"

Page 4, line 16, delete "*party*" and insert "*judgment debtor*"

Page 4, line 16, delete "*, with notice of the*"

Page 4, line 17, delete "*possible contempt citation,*"

Page 4, line 18, delete the comma

Page 4, after line 18, insert:

"Sec. 9. Minnesota Statutes 1978, Section 488A.17, Subdivision 2, is amended to read:

Subd. 2. [PROCEDURE FOR REMOVAL OF CAUSE.] No

cause shall be so removed unless all of the following acts are performed by the aggrieved party within ~~ten~~ 15 days after the date the clerk mailed to him notice of the order for judgment:

(a) Serve on the opposing party or his attorney a demand for removal of the cause to the municipal court for trial *de novo* stating whether trial by a jury of six persons or by the court without a jury is demanded. Service shall be made upon a party *by mail or by personal service* in accordance with the provisions for personal service of a summons in the municipal court or shall be made upon the party's attorney in accordance with the provisions for service of a notice of motion upon an attorney in the municipal court. The demand shall show the office address of the attorney for each party and the residence address of each party who does not have an attorney.

(b) File with the clerk of conciliation court the original demand for removal and proof of service thereof. If the opposing party or his attorney cannot be found and service of the demand ~~be~~ is made within the ~~ten~~ 15 day period, the aggrieved party may file with the clerk within the ~~ten~~ 15 day period the original and a copy of the demand, together with an affidavit by himself or his attorney showing that due and diligent search has been made and that the opposing party or his attorney cannot be found and the filing of this affidavit shall serve in lieu of making service and filing proof of service. When such an affidavit is filed, the clerk shall mail the copy of the demand to the opposing party at his last known residence address.

(c) File with the clerk of conciliation court an affidavit by the aggrieved party or his attorney stating that the removal is made in good faith and not for the purpose of delay.

(d) Pay to the clerk of conciliation court \$2 when the demand is for trial by court, plus \$5 additional when the demand is for trial by a jury of six persons.

Sec. 10. Minnesota Statutes 1978, Section 488A.17, Subdivision 3, is amended to read:

Subd. 3. [LIMITED REMOVAL OF CAUSE, PROCEDURE.]

(a) When a motion for vacation of a judgment or an order for judgment under subdivision 5 or 6 of section 488A.16 has been denied, the aggrieved party may demand limited removal to the municipal court of the county of Hennepin for hearing *de novo* of his motion. The demand for limited removal and notice of the hearing *de novo* must be served by the aggrieved party on the other party in accordance with the provisions of subdivision 2(a) of this section and the original demand and notice, with proof of service, must be filed with the clerk of conciliation court within ~~ten~~ 15 days after the motion has been denied, or the original and one copy of the demand and notice, together with an affidavit similar to that required by subdivision 2(b) of this section must be filed with the clerk of conciliation court within ~~said ten day~~ the 15 day period. When such an affidavit is filed, the clerk shall then mail the copy of the demand and notice to the other party at his last known resi-

dence address. The aggrieved party shall pay a fee of \$2 to the clerk of conciliation court for filing the demand and notice and this fee shall not be recoverable as a disbursement. The notice shall set a date for hearing de novo at a special term of the municipal court not less than ten days nor more than thirty days subsequent to the date of filing the original demand and notice.

(b) The clerk of conciliation court thereupon shall pay over to the municipal court the \$2 fee and shall file in municipal court the removal demand and notice together with all orders, affidavits, and other papers filed in conciliation court. The clerk of municipal court shall then place the cause on the special term calendar of the municipal court for hearing on the date specified in the notice.

(c) A municipal judge, other than the conciliation judge who denied the motion, shall hear the motion de novo at special term and may deny the motion, without allowance of costs, or grant the motion, with or without the allowance of absolute or conditional costs. At the hearing de novo the municipal judge shall consider the entire file of the conciliation court together with any subsequent affidavits of showing made by either party.

(d) The clerk of municipal court shall send a copy of the order made after the de novo hearing to both parties and return the file to the clerk of conciliation court."

Page 5, line 4, delete "*Notice of the fact*"

Page 5, delete lines 5 to 9

Page 5, line 10, delete "*posted in the court building.*"

Page 5, after line 14, insert:

"Sec. 12. Minnesota Statutes 1978, Section 488A.31, Subdivision 4, is amended to read:

Subd. 4. [HEARING, DATE; SUMMONS.] When an action has been commenced, the administrator shall set a date for court hearing and advise the plaintiff of the date set. The administrator shall promptly summon the defendant by mail. The summons shall state the amount and nature of the claim; shall require the defendant to appear at the hearing; shall specify that if he does not appear judgment by default will be entered against him for the relief demanded and shall summarize the requirements for filing a counterclaim. Unless otherwise ordered by a judge, the hearing date shall be not less than ~~ten~~ 15 days from the date of mailing or service of the summons.

Sec. 13. Minnesota Statutes 1978, Section 488A.31, Subdivision 5, is amended to read:

Subd. 5. [COUNTERCLAIM.] (a) The defendant may interpose as a counterclaim any claim within the jurisdiction of the court which he has against the plaintiff whether or not arising out of the transaction or occurrence which is the subject matter of the plaintiff's claim.

(b) The counterclaim shall be interposed by filing with the



administrator a brief statement of the amount, date of accrual and nature of the counter claims, verified by the defendant, his attorney or agent, and paying a filing fee of \$3 to the administrator. The administrator shall draw up the counterclaim on request.

(c) The administrator shall note the filing of the counterclaim on the original claim, promptly notify the plaintiff by mail of the filing and set the counterclaim for hearing on the same date as the original claim.

(d) The counterclaim shall be filed not less than *five ten* days before the date set for court hearing. The judge, in his discretion, may thereafter allow the filing of a written or oral counterclaim before or after hearing the merits of the claim and counterclaim. The judge, in his discretion, may require the payment of absolute or conditional costs up to \$25 by the defendant to the plaintiff as a condition of allowing late filing in the event that a continuance is requested by the plaintiff and is granted because of *such the* late filing.

(e) If the defendant has a counterclaim which exceeds the jurisdiction of the court and the defendant files an affidavit by himself, his attorney or agent with the administrator not less than *five ten* days before the date set for court hearing showing that he has filed with the administrator of a specified other court of competent jurisdiction a complaint seeking recovery from the plaintiff on the counterclaim and stating the nature and amount thereof, the administrator shall strike the action from the calendar and so advise the plaintiff by mail. If the plaintiff not less than 30 days nor more than three years after the filing of such affidavit shall file an affidavit showing that he has not been served with a summons in the other action or that the other action has been finally determined, the administrator shall again set the cause for court hearing and summon the defendant in the same manner as for the initial hearing and the court shall proceed to hear and determine plaintiff's claim. If no such counter-affidavit is filed by plaintiff within three years, his original claim is dismissed without prejudice without any further action by the administrator or any judge. Prior to the expiration of this three year period the plaintiff's original claim may be dismissed by plaintiff or by court order at a hearing upon motion of the defendant.

Sec. 14. Minnesota Statutes 1978, Section 488A.33, Subdivision 2, is amended to read:

Subd. 2. [ENTRY OF JUDGMENT.] The administrator shall enter judgment forthwith as ordered by the court, dating the judgment entry the same date as notice is mailed to the parties. Unless: (1) otherwise ordered by a judge, (2) payment has been made in full, (3) removal to municipal court has been perfected or (4) an order vacating the prior order has been filed, the judgment so entered by the administrator becomes final *ten* 15 days after the mailing of notice.

Sec. 15. Minnesota Statutes 1978, Section 488A.33, Subdivision 5, is amended to read:

Subd. 5. [VACATION OF ORDER FOR JUDGMENT WITHIN FIFTEEN DAYS.] When a default judgment or a judgment of dismissal on the merits has been ordered for failure to appear, the judge, within ~~ten~~ 15 days after notice thereof was mailed, may vacate the order for judgment ex parte and grant a new hearing, if the defaulting party shows lack of notice, mistake, inadvertence, or excusable neglect as the cause of his failure to appear. Absolute or conditional costs not exceeding \$25 to the other party may be ordered as a prerequisite to that relief. The administrator shall notify the other party by mail of the new hearing date."

Page 6, line 1, delete "*file with the court*" and insert "*mail to the judgment creditor*"

Page 6, line 8, after "*to*" insert "*satisfy the judgment or*"

Page 6, line 9, delete "*return*" and insert "*mail*"

Page 6, line 9, delete "*court*" and insert "*judgment creditor*"

Page 6, line 9, delete "*one week*" and insert "*seven days*"

Page 6, line 10, delete "*receipt*" and insert "*service of the order*"

Page 6, line 11, delete "*party*" and insert "*judgment debtor*"

Page 6, line 11, delete everything after "*who*"

Page 6, line 12, delete the comma

Page 6, after line 13, insert:

"Sec. 17. Minnesota Statutes 1978, Section 488A.33, Subdivision 8, is amended to read:

Subd. 8. [VACATION OF JUDGMENT AFTER FIFTEEN DAYS.] When a defendant shows that he did not receive a summons before the hearing within sufficient time to permit a defense and that he did not receive notice of the order for default judgment within sufficient time to permit him to make application for relief within ~~ten~~ 15 days or shows other good cause, a judge may vacate a default judgment after notice to the plaintiff and grant a new hearing on the merits with or without payment of absolute or conditional costs. The administrator shall notify the parties by mail of the new hearing date.

Sec. 18. Minnesota Statutes 1978, Section 488A.34, Subdivision 2, is amended to read:

Subd. 2. [PROCEDURE FOR REMOVAL OF CAUSE.] No cause shall be so removed unless all the following acts are performed by the aggrieved party within ~~ten~~ 15 days after the date the administrator mailed to him notice of the order for judgment:

(a) Serve on the opposing party or his attorney a demand for removal of the cause to the municipal court for trial de novo stating whether trial by a jury of six persons or by the court without a jury is demanded. Service shall be made upon a party by mail or by personal service in accordance with the provisions for personal service of a summons in the municipal court or shall be

made upon the party's attorney in accordance with the provisions for service of a notice of motion upon an attorney in the municipal court. The demand shall show the office address of the attorney for each party and the residence address of each party who does not have an attorney.

(b) File with the administrator of conciliation court the original demand for removal and proof of service thereof. If the opposing party or his attorney cannot be found and service of the demand ~~be is~~ made within the ~~ten-day~~ 15 day period, the aggrieved party may file with the administrator within the ~~ten-day~~ 15 day period the original and a copy of the demand, together with an affidavit by himself or his attorney showing that due and diligent search has been made and that the opposing party or his attorney cannot be found and the filing of this affidavit shall serve in lieu of making service and filing proof of service. When such an affidavit is filed, the administrator shall mail the copy of the demand to the opposing party at his last known address.

(c) File with the administrator of conciliation court an affidavit by the aggrieved party or his attorney stating that the removal is made in good faith and not for the purpose of delay.

(d) Pay to the administrator of conciliation court \$6 when the demand is for trial by court, plus \$6 additional when the demand is for trial by a jury of six.

Sec. 19. Minnesota Statutes 1978, Section 488A.34, Subdivision 12, is amended to read:

Subd. 12. [LIMITED REMOVAL OF CAUSE, PROCEDURE.]

(a) When a motion for vacation of a judgment or an order for judgment under section 488A.33, subdivisions 5 or 8, has been denied, the aggrieved party may demand limited removal to the municipal court for hearing de novo of his motion. The demand for limited removal and notice of the hearing de novo must be served by the aggrieved party on the other party in accordance with the provisions of subdivision 2, clause (a), and the original demand and notice, with proof of service, must be filed with the administrator of conciliation court within ~~ten~~ 15 days after the motion has been denied, or the original and one copy of the demand and notice, together with an affidavit similar to that required by subdivision 2, clause (b), must be filed with the administrator of conciliation court within ~~said ten~~ the 15 day period. When such an affidavit is filed, the administrator shall then mail the copy of the demand and notice to the other party at his last known residence address. The aggrieved party shall pay a fee of \$3 to the clerk of conciliation court for filing the demand and notice and this fee shall not be recoverable as a disbursement. The notice shall set a date for hearing de novo at a special term of the municipal court not less than ten days nor more than 30 days subsequent to the date of filing the original demand and notice.

(b) The administrator of conciliation court thereupon shall pay over to the municipal court the \$3 fee and shall file in municipal court the removal demand and notice together with all orders,

affidavits, and other papers filed in conciliation court. The administrator of municipal court shall then place the cause on the special term calendar of the municipal court for hearing on the date specified in the notice.

(c) A municipal judge, other than the conciliation judge who denied the motion, shall hear the motion de novo at special term and may deny the motion, without allowance of costs, or grant the motion, with or without the allowance of absolute or conditional costs. At the hearing de novo the municipal judge shall consider the entire file of the conciliation court together with any subsequent affidavits of showing made by either party.

(d) The administrator of municipal court shall send a copy of the order made after the de novo hearing to both parties and return the file to the administrator of conciliation court."

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 4 and 5

Page 1, line 6, delete "conciliation court;"

Page 1, line 8, after the first semicolon, insert "changing certain deadlines;"

Page 1, line 10, delete "subdivisions" and insert "a subdivision"

Page 1, line 10, after the second semicolon, insert "488A.14, Subdivisions 4 and 5;"

Page 1, line 11, delete "Subdivision 8" and insert "Subdivisions 2, 5, 6 and 8"

Page 1, line 11, after the first semicolon, insert "488A.17, Subdivisions 2 and 3;"

Page 1, line 11, delete "and" and insert "488A.31, Subdivisions 4 and 5;"

Page 1, line 12, delete "Subdivision" and insert "Subdivisions 2, 5,"

Page 1, line 12, after "7" insert "and 8; and 488A.34, Subdivisions 2 and 12"

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

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

H. F. No. 1169: A bill for an act relating to census taking; providing for the taking of special censuses by the United States bureau of the census rather than the secretary of state; providing for the approval of school district population estimates by the state demographer; providing for annual population estimates of governmental subdivisions by the state demographer and their use

in the computation of tax levy limits and local government aid; abolishing the authority of the municipal board to determine the population of municipalities and towns; amending Minnesota Statutes 1978, Sections 4.12, Subdivision 7; 275.14; 275.45; 275.53; 414.01, Subdivision 14; 477A.01, Subdivision 4; and Chapter 477A, by adding a section; repealing Minnesota Statutes 1978, Sections 365.61; and 414.033, Subdivision 8.

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

Page 1, line 23, strike "director of planning or his designee" and insert "*state demographer*"

Page 2, line 32, after "*subdivision*" insert "*for which the metropolitan council does not prepare an annual population estimate,*"

Page 3, after line 1, insert:

"Sec. 2. Minnesota Statutes 1978, Section 123.32, Subdivision 12, is amended to read:

Subd. 12. No one election district shall contain more than 20 percent of the total population of the district according to the most recent ~~state or~~ federal decennial census; or the district may conduct a special census for the purpose."

Page 3, line 5, strike "respective state or"

Page 4, lines 3 and 4, strike "or state"

Page 4, line 5, strike "state or"

Page 5, line 24, strike ", state,"

Page 6, line 2, strike "respective state or"

Page 6, lines 7 and 8, strike "respective state or "

Page 6, line 10, strike "tenth"

Page 6, delete line 23, and insert:

"Sec. 5. Minnesota Statutes, 1979 Supplement, Section 275.53. Subdivision 1, is"

Delete Page 6, line 25, to page 7, line 11, and insert:

"275.53 [GOVERNING CENSUS.] Subdivision 1. For the purpose of determining the amount of tax that a governmental subdivision may levy in accordance with a per capita limitation established by this chapter or the amount of aid that a city or township may receive pursuant to section 477A.01, the population of the governmental subdivision shall be that established by the last ~~state or~~ federal census, ~~or by a special census taken within the entire governmental subdivision pursuant to sections 275.50 to 275.56 or to any other law,~~ by a census taken pursuant to subdivision ~~1a or~~ 2, or by a population estimate made by the metropolitan council, by an order of the Minnesota municipal board

pursuant to section 414.01, subdivision 14, or by an the population estimate of the state demographer made pursuant to subdivision 3 section 4.12, subdivision 7, clause (10) , whichever is the most recent as to the stated date of count or estimate, up to and including October July 1 of the current levy year. Population changes established after October July 1 of the current levy year shall not be used in determining the levy limitation of a governmental subdivision for the current levy year under sections 275.50 to 275.56."

Page 7, after line 11, insert:

"Sec. 6. Minnesota Statutes 1978, Section 275.53, Subdivision 2, is amended to read:"

Page 7, line 16, after "subdivision" insert "to determine the current population of the governmental subdivision"

Page 7, line 17, after "levy" insert "or aid received pursuant to section 477A.01"

Delete page 7, line 27, to page 9, line 25, and insert:

"Sec. 7. Minnesota Statutes 1978, Section 275.53, Subdivision 3, is amended to read:

Subd. 3. (a) In lieu of passing a resolution pursuant to subdivision 2, the governing body of a governmental subdivision may pass by June 1 of any year a resolution containing an estimate of the current population of the subdivision. The resolution shall describe the criteria upon which the estimate is based, and shall state that the estimate is made for purposes of increasing that subdivision's tax levy pursuant to sections 275.50 to 275.56 or local government aids pursuant to section 477A.01. The resolution shall be in the form and accompanied by the data required by the state planning agency. In any year in which the population estimate for a governmental subdivision provided by the state demographer pursuant to subdivision 4 increases the amount of tax that the governmental subdivision may levy pursuant to sections 275.50 to 275.56, the governing body of the governmental subdivision shall publish notice of the estimate and the fact that it may result in an increased tax levy at least once in a legal newspaper of general circulation in the subdivision by August 1.

(b) The resolution shall then be submitted to the state planning agency. The agency shall determine, and inform the subdivision in writing within 30 days of receipt of the resolution, whether the criteria and process described therein do or do not provide a reasonable basis for the population estimate. The estimate prepared by the subdivision shall be reviewed by the state planning agency with reference to county population estimates prepared by the state demographer. The state demographer's county population estimates will be used as a county control.

(c) (b) If the agency determines that the criteria and process used by the subdivision do not provide a reasonable basis for the population estimate, the resolution shall be of no effect. If the

agency determines that the criteria do provide a reasonable basis for the population estimate, the resolution shall be published at least once in a legal newspaper of general circulation in said subdivision. Said estimate may be used for computing the amount of ad valorem taxes the subdivision may levy, unless Within 30 days following the publication of the resolution notice , 10 percent or more of the registered voters of the subdivision, or , if the subdivision does not require voter registration, then 10 percent or more of its voters, who voted at the subdivision's last election, may sign and submit to the governing body of this subdivision a petition demanding a special census ; and submit the petition to the governing body of the subdivision .

(d) (c) Attached to the petition shall be an affidavit executed by the circulator or circulators thereof, stating that he or they personally circulated the petition, the number of signatures thereon, that all signatures were affixed in his or their presence and that he or they believe them to be genuine signatures of the persons whose names they purport to be. Each signature need not be notarized.

(e) (d) Upon the receipt of a petition conforming to this subdivision, the governing body shall pass a resolution requesting the secretary of state to take contract for the taking of a special census of the governmental subdivision. The census shall be taken and financed pursuant to the provisions of subdivision 2. Any population estimate made by the governing body of any governmental subdivision shall be superseded by any subsequent state or federal census taken pursuant to sections 275.50 to 275.56 or any other law, or by a population estimate made by the metropolitan council or the state demographer. The governing body of a governmental subdivision may not avail itself of the provisions of this subdivision during any year for which any state or federal census has been taken or for which the metropolitan council has made a population estimate of the subdivision.

Sec. 8. Minnesota Statutes 1978, Section 275.53, is amended by adding a subdivision to read:

*Subd. 4. In any year in which the annual population estimate of the state demographer is the population of a governmental subdivision pursuant to subdivision 1, the governing body of the governmental subdivision may challenge the accuracy of the estimate by notifying the state demographer of its objections to the estimate by June 1. If the governing body of the governmental subdivision and the state demographer agree on a revised population estimate by July 1, the revised estimate shall become the annual population estimate of the state demographer for that governmental subdivision for that year.*

Sec. 9. Minnesota Statutes 1978, Section 275.59, is amended to read:

275.59 [GOVERNMENTAL SUBDIVISIONS UNDER 2,500 POPULATION; EXEMPTION FROM LEVY LIMITS.] Commencing with levy year 1975 and thereafter, taxes payable in 1976

and thereafter, the provisions of sections 275.50 to 275.52 and 275.54 to 275.56 shall not apply to any city, statutory city or town with statutory city powers whose population according to the latest state or federal census is under 2,500.

Sec. 10. Minnesota Statutes 1978, Section 326.40, Subdivision 1, is amended to read:

326.40 [LICENSING, BOND AND INSURANCE.] Subdivision 1. [PLUMBERS MUST BE LICENSED IN CERTAIN CITIES; MASTER AND JOURNEYMAN PLUMBERS; PLUMBING ON ONE'S OWN PREMISES; RULES FOR EXAMINATION.] In any city now or hereafter having 5,000 or more population, according to the last federal or state census, and having a system of waterworks or sewerage, no person, firm, or corporation shall engage in or work at the business of a master plumber or journeyman plumber unless licensed to do so by the state commissioner of health. A master plumber may also work as a journeyman plumber. Anyone not so licensed may do plumbing work which complies with the provisions of the minimum standard prescribed by the state commissioner of health on premises or that part of premises owned and actually occupied by him as his residence, unless otherwise forbidden to do so by a local ordinance.

In any such city no person, firm, or corporation shall engage in the business of installing plumbing nor install plumbing in connection with the dealing in and selling of plumbing material and supplies unless at all times a licensed master plumber, who shall be responsible for proper installation, is in charge of the plumbing work of the person, firm, or corporation.

The department of health shall prescribe rules, not inconsistent herewith, for the examination and licensing of plumbers.

Sec. 11. Minnesota Statutes 1978, Section 326.60, Subdivision 1, is amended to read:

326.60 [WATER CONDITIONING CONTRACTORS AND INSTALLERS MUST BE LICENSED IN CERTAIN CITIES.] Subdivision 1. In any city or town now or hereafter having a population of 5,000 or more according to the last federal or state census, no person, firm, or corporation shall engage in or work at the business of water conditioning installation or servicing after January 1, 1970, unless (a) at all times a person licensed as a water conditioning contractor by the state commissioner of health shall be responsible for the proper water conditioning installation and servicing work of such person, firm, or corporation, and (b) all installations, other than exchanges of portable equipment, are actually made by a licensed water conditioning contractor or licensed water conditioning installer. Anyone not so licensed may do water conditioning work which complies with the provisions of the minimum standard prescribed by the state commissioner of health on premises or that part of premises owned and actually occupied by him as his residence, unless otherwise forbidden to do so by a local ordinance.



Sec. 12. Minnesota Statutes 1978, Section 368.03, is amended to read:

368.03 [LAST PRECEDING CENSUS TO GOVERN.] In determining the application of sections 368.02 to 368.11 to any such town, the population thereof shall be determined by the last preceding state or federal census and the valuation shall be that used as a basis for spreading the 1932 taxes of the town.

Sec. 13. Minnesota Statutes 1978, Section 375.025, Subdivision 1, is amended to read:

375.025 [COMMISSIONER DISTRICTS.] Subdivision 1. [STANDARDS.] The redistricting plan in use in a county shall be effective and continue to be used until a redistricting plan is adopted in accordance with the provisions of this section. Each county shall be divided into as many districts numbered consecutively as it has members of the county board. Commissioner districts shall be bounded by town, municipal, ward, or precinct lines. Each district shall be composed of contiguous territory as regular and compact in form as practicable, depending upon the geography of the county involved and shall be as nearly equal in population as possible, provided that no district shall vary in population more than 10 percent from the average for all districts in the county, unless the result forces a voting precinct to be split. In addition, a majority of the least populous districts shall contain not less than a majority of the population of the county. A county may be redistricted by the county board after each state or federal census. When it appears after a federal census that the districts of the county are not in accord with the standards set forth in this subdivision, the county shall be redistricted by the county board within 180 days of the date on which certified copies of the latest federal census are filed with the secretary of state in accordance with section 600.18. Before acting to redistrict a county, the county board or a redistricting commission, if one be appointed, shall cause at least three weeks published notice of its purpose to do so, stating the time and place of the meeting where the matter will be considered, to be published in the newspaper having the contract for publishing the commissioners' proceedings for the county for the current year.

Sec. 14. Minnesota Statutes 1978, Section 376.31, is amended to read:

376.31 [APPROPRIATIONS, BONDS, STATE'S CONTRIBUTION, LEVIES.] A county or group of counties wishing to establish a sanatorium, as indicated in section 376.28, shall, through the board or boards of county commissioners, appropriate one-half of the necessary funds in apportioned amounts, as hereafter provided, for the establishment, construction, and equipment of the same and may issue bonds therefor in the manner provided by law for the issuance by counties of bonds for other purposes. The state treasurer shall pay, out of the funds hereafter provided under sections 376.28 to 376.42, one-half the cost of the erection and equipment of each such sanatorium, including cost of site,

which payment shall be made in the manner provided by law for the payment of expense incurred by the commissioner of administration in the erection and equipment of public buildings; provided, that the amount contributed by the state towards the cost of the erection and equipment of each such sanatorium, including cost of site, shall not exceed \$50,000. When any such sanatorium has been erected and equipped the county sanatorium commission shall have full charge and control of the maintenance of the same, but may confer with the commissioner of administration with reference thereto or respecting the purchase of supplies therefor whenever it desires so to do, and the commissioner of administration shall aid in the securing of favorable contracts for the purchase of supplies when so called upon. The county sanatorium commission shall determine, by resolution, each year, prior to July first, the amount of money necessary for the maintenance of such sanatorium during the following year and a certified copy of the resolution shall be forthwith forwarded to the board or boards of county commissioners, and such board or boards may, in their discretion, at the regular meeting in July, include the properly approved and apportioned amount in the annual levy of county taxes. In no case shall the amount of such levy in any one year exceed one-third of one mill on the dollar of assessed valuation. For the maintenance of each free patient treated in the sanatorium 50 percent of the actual cost of care of each free patient, except that the amount of state aid shall not exceed \$7.50 per week before July 1, 1956, and \$2.50 per patient day beginning July 1, 1956, shall be paid to the county or group of counties by the state treasurer out of funds appropriated under sections 376.28 to 376.42, which payments shall be made monthly upon warrants of the commissioner of finance, drawn upon the state treasurer; provided, that the commissioner of public welfare certifies that the institution has been properly conducted; provided, further, in a county having an assessed valuation of real and personal property of less than \$7,000,000 and the required total mill levy for all costs, including administrative costs, for all forms of public assistance exceeds by 50 percent or more the average required mill levy for these costs in all counties of the state, and the levy is insufficient to pay the county's share of these costs, the state pays 75 percent of the actual cost of care of each free patient. In case two or more counties unite in a decision to establish a sanatorium, the county sanatorium commission shall apportion, by resolution, one-half the estimated total cost of site, erection, and equipment and the estimated total cost of maintenance for the ensuing year between or among the counties, and designate the amount to be raised by each county, which apportionment shall be based approximately upon the respective population of the counties, as determined by the last previous federal or state census, except that when the county boards of such counties shall agree upon a different apportionment of such cost of maintenance such agreed apportionment shall govern. When so apportioned the commission shall forward to the board of county commissioners of each county a certified copy of such resolution, and each county board shall then proceed to pay, if it has funds available for that purpose, or to make a tax levy for the amount apportioned to its county. All

moneys collected or received for such sanatorium purposes, except cost of site, erection, and equipment, shall be deposited in the treasury of the county or counties to the credit of the tuberculosis sanatorium funds, and shall not be used for any other purpose and shall be paid out in a manner provided by law for other county expenses by the proper officers of the county or counties upon the properly authenticated vouchers of the county sanatorium commission, signed by the president and the secretary thereof, and all moneys collected or received to be used toward the payment of the cost of site, erection, and equipment of such sanatorium shall be sent by each county treasurer to the state treasurer to be placed to the credit of the sanatorium and shall be paid out in the manner as in this section provided for other payments toward cost of site, erection, and equipment of the sanatorium.

Sec. 15. Minnesota Statutes 1978, Section 395.08, is amended to read:

395.08 [APPROPRIATIONS FOR CERTAIN AGRICULTURAL DEVELOPMENTS.] The board of county commissioners of any county in this state may appropriate annually out of the general revenue fund of such county, a sum of money not exceeding a sum equal to five cents per capita of the population of such county according to the latest *federal* census, either *federal* or *state*, of such county and not to exceed \$25,000 for any one county. Such sum so appropriated shall be paid to any incorporated development society or organization of this state which, in the opinion of the board, will use such money for the best interests of the county in promoting, advertising, improving, or developing the economic and agricultural resources of the county, and such other matter as may tend to a development of the county.

Sec. 16. Minnesota Statutes 1978, Section 447.34, Subdivision 1, is amended to read:

447.34 [PAYMENT OF EXPENSES; TAXATION.] Subdivision 1. Expenses of acquisition, betterment, administration, operation, and maintenance of all hospital and nursing home facilities operated by any hospital district, expenses incurred pursuant to section 447.331, subdivision 1, and the expenses of organization and administration of such district and of planning and financing such facilities, shall be paid from the revenues derived from such facilities, and to the extent necessary, from *ad valorem* taxes levied by the hospital board upon all taxable property situated within the district, and, to the extent determined from time to time by the board of county commissioners of any county in which territory of the district is situated, from appropriations made by said board in accordance with the provisions of section 376.08, and any future laws amending or supplementing the same. Any moneys appropriated by such board of county commissioners for the acquisition or betterment of facilities of the hospital district may be transferred in the discretion of the hospital board to a sinking fund for bonds issued for that purpose. The hospital board may agree to repay to the county any sums appropriated by the board of county commissioners for this purpose, out of the net

revenues to be derived from operation of its facilities, and subject to such terms as may be agreed upon. No taxes levied by a hospital district in any year, other than taxes levied for payment of bonded indebtedness, shall exceed in amount \$1.50 per capita of the population of the district according to the last state or federal census, if the amount proposed to be levied in excess of such amount, when added to the levy subject to the limitations of section 275.10 or 275.11, of any of the municipalities within the district, would cause such municipal levy to exceed the limitations of such applicable section.

Sec. 17. Minnesota Statutes, 1979 Supplement, Section 462C.07, Subdivision 2, is amended to read:

Subd. 2. The aggregate principal amount of revenue bonds or other obligations issued by a city pursuant to this section shall not exceed an amount equal to \$1,000 times its population for the first 50,000 persons, plus \$500 times its population in excess of 50,000, until otherwise provided by law. Its population shall be determined by the last state or federal census, or by the last official estimate of the metropolitan council, for a city in the metropolitan area, whichever is greater.

Sec. 18. Minnesota Statutes, 1979 Supplement, Section 471.697, Subdivision 1, is amended to read:

471.697 [FINANCIAL REPORTING; AUDITS; CITIES OF MORE THAN 2,500 POPULATION.] Subdivision 1. In any city with a population of more than 2,500 according to the latest state or federal census, the city clerk or chief financial officer shall:

(a) Prepare a financial report covering the city's operations including operations of municipal hospitals and nursing homes, liquor stores, and public utility commissions during the preceding fiscal year after the close of the fiscal year and publish the report or a summary of the report, in a form as prescribed by the state auditor, in a newspaper in the city or, if there be none, post copies in three of the most public places in the city. The report shall contain financial statements and disclosures which present the city's financial position and the results of city operations in conformity with generally accepted accounting principles. The report shall include such information and be in such form as may be prescribed by the state auditor;

(b) File the financial report in his office for public inspection and present it to the city council after the close of the fiscal year. One copy of the financial report shall be furnished to the state auditor after the close of the fiscal year; and

(c) Submit to the state auditor audited financial statements which have been attested to by a certified public accountant, public accountant, or the state auditor within 180 days after the close of the fiscal year, except that the state auditor may upon request of a city and a showing of inability to conform, extend the deadline. The state auditor may accept this report in lieu of the report required in clause (b) above.

Sec. 19. Minnesota Statutes, 1979 Supplement, Section 471.698, Subdivision 1, is amended to read:

471.698 [FINANCIAL REPORTING; CITIES OF LESS THAN 2,500 POPULATION.] Subdivision 1. In any city with a population of less than 2,500 according to the latest state or federal census, the city clerk or chief financial officer shall:

(a) Prepare a detailed statement of the financial affairs of the city including operations of municipal hospitals and nursing homes, liquor stores, and public utility commissions in the style and form prescribed by the state auditor, for the preceding fiscal year showing all money received, with the sources, and respective amounts thereof; all disbursements for which orders have been drawn upon the treasurer; the amount of outstanding and unpaid orders; all accounts payable; all indebtedness; contingent liabilities; all accounts receivable; the amount of money remaining in the treasury; and all items necessary to show accurately the revenues and expenditures and financial position of the city;

(b) File the statement in his office for the public inspection and present it to the city council within 45 days after the close of the fiscal year;

(c) (1) Publish the statement within 60 days after the close of the fiscal year in a newspaper published in the city; or

(2) If there is no newspaper in the city, the clerk shall, at the direction of the city council, publish the statement in the official newspaper published elsewhere or post copies in three of the most public places in the city; or

(3) If city council proceedings are published monthly or quarterly, showing to whom and for what purpose orders are drawn upon the treasurer, the annual statement to be published as required by this section may be summarized in such form as the state auditor may prescribe; and

(d) Submit within 90 days after the close of the fiscal year a copy of the statement to the state auditor in such summary form as the state auditor may prescribe.

Sec. 20. Minnesota Statutes 1978, Section 641.264, Subdivision 2, is amended to read:

Subd. 2. [TAX LEVIES; APPORTIONMENT OF COSTS.] The county board of each cooperating county shall annually levy a tax in an amount necessary to defray its proportion of the net costs of maintenance and operation of the regional jail after deduction of payments for the care of inmates, and in addition shall levy a tax to repay the cost of construction or acquisition, equipping, and any subsequent improvement of the regional jail and for the retirement of any bonds issued for these purposes. The county board may levy these taxes without limitation as to the rate or amount, and the levy of these taxes shall not cause the amount of other taxes levied or to be levied by the county, which are subject to any such limitation, to be reduced in any amount whatsoever. The regional jail board shall apportion the costs of maintenance and operation, and of construction or acquisition, equipping, and improvement of the jail to each county on the basis of the proportion that the population in that county bears to the total

population in all of the cooperating counties, the population figures to be determined by the last previous federal or state census.

Sec. 21. Minnesota Statutes 1978, Section 645.44, Subdivision 8, is amended to read:

Subd. 8. [POPULATION; INHABITANTS.] When used in reference to population, "population" and "inhabitants" mean that shown by the last preceding *federal decennial census, state or United States*, unless otherwise expressly provided."

Delete page 9, line 26, to page 11, line 15

Delete page 11, line 32, to page 13, line 2

Page 13, line 4, before "are" insert "*and Minnesota Statutes, 1979 Supplement, Section 275.53, Subdivision 1a,*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 13 to 18 and insert: "towns; removing references to a state census; amending Minnesota Statutes 1978, Sections 4.12, Subdivision 7; 123.32, Subdivision 12; 275.14; 275.45; 275.53, Subdivisions 2 and 3, and by adding a subdivision; 275.59; 326.40, Subdivision 1; 326.60, Subdivision 1; 368.03; 375.025, Subdivision 1; 376.31; 395.08; 414.01, Subdivision 14; 447.34, Subdivision 1; 641.264, Subdivision 2; 645.44, Subdivision 8; Minnesota Statutes, 1979 Supplement, Sections 275.53, Subdivision 1; 462C.07, Subdivision 2; 471.697, Subdivision 1; 471.698, Subdivision 1; and repealing Minnesota Statutes 1978, Sections 365.61; 414.033, Subdivision 8; and Minnesota Statutes, 1979 Supplement, Section 275.53, Subdivision 1a."

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

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

S. F. No. 1631: A bill for an act relating to energy; stating legislative energy policy; establishing a joint legislative committee on energy; providing grants and assistance for community energy planning; modifying certain need certification procedures; allowing certain utility expenses; expanding consumer representation in certain energy hearings; appropriating money; amending Minnesota Statutes 1978, Sections 45.17, by adding subdivisions; 116H.01; Minnesota Statutes, 1979 Supplement, Section 116H.13, Subdivisions 3, 5, and 7.

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

Page 2, line 1, after the period insert "*In performing its duties pursuant to this subdivision, the section shall follow the guidelines established pursuant to subdivision 6, clause (1).*"

Page 2, line 13, after the period insert "*In performing its duties*

*pursuant to this subdivision, the section shall follow the guidelines established pursuant to subdivision 6, clause (1)."*

Page 3, line 26, delete "COMMITTEE" and insert "COMMISSION"

Page 3, line 28, delete "committee" and insert "commission"

Page 4, lines 1, 2, 4, 18, 23, and 27, delete "committee" and insert "commission"

Page 8, line 7, delete underscoring from "Sec. 9."

Page 8, line 10, delete "committee" and insert "commission"

Page 8, line 22, delete underscoring from "Sec. 10."

Page 8, line 23, after the period insert "*The provisions of section 4 shall expire on July 1, 1987.*"

Amend the title as follows:

Page 1, line 3, delete "committee" and insert "commission"

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

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

S. F. No. 1965: A bill for an act relating to retirement; local police and salaried firefighters' relief associations; authorizing certain municipalities to modify retirement coverage and benefits for certain police officers and firefighters by local action; establishing a local police and salaried firefighters' relief association amortization state aid program; appropriating money; amending Minnesota Statutes 1978, Section 69.77, Subdivision 2.

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

Pages 1 to 6, delete section 1 and insert:

"Section 1. Minnesota Statutes 1978, Section 69.77, Subdivision 2, as amended by Laws 1980, Chapter 341, Section 1, is amended to read:

Subd. 2. Subdivision 1 does not apply to an association enumerated in subdivision 1a under the following circumstances:

(1) Each member of the association pays into the retirement funds of the association during his term of covered employment from and after January 1, 1981, a contribution for retirement and survivorship benefits of not less than eight percent of the maximum rate of salary from which retirement and survivorship credits and amounts of benefits are determined, and that such contributions of a member are deducted from his salary by his governmental employer, transmitted to the association, and deposited to the credit of the proper fund thereof, provided that to avoid undue increase in the amount of employee contributions in any one year,

any increase in the amount of contributions required by this section may be spread over several years, but the increase in rate of contribution in each year commencing in 1981 shall not be less than one percent until the appropriate levels of required employee contributions have been reached. This paragraph shall not apply to members who are volunteer firefighters, provided that the local governing body shall have given their approval to the exemption following consideration of the most recent actuarial survey.

(2) The officers of the association determine on or before the date established by the municipality, which shall not be later than September 1 and shall not be earlier than August 1, of each year the financial requirements and minimum obligation of the association for the following calendar year in accordance with the following requirements:

The financial requirements shall be based on the most recent actuarial survey prepared in accordance with sections 356.215, subdivision 4 and 356.216.

*For a relief association which is located in a municipality which has adopted and filed a resolution as provided in section 2, subdivision 1, or section 4, the total of the amounts calculated pursuant to clauses (a) and (c) shall constitute the financial requirements of the relief association for the following year. For a relief association which is located in a municipality which has not adopted and filed a resolution as provided in section 2, subdivision 1, or section 4, the total of the amounts calculated pursuant to clauses (a) and (b) shall constitute the financial requirements of the relief association for the following year.*

(a) The normal level cost expressed as a percent of covered payroll determined from the actuarial survey shall be applied to the estimated covered payroll of the membership for the following year to determine the dollar amount of normal cost for said following year.

(b) To the dollar amount of normal cost thus determined shall be added the amount of one year's interest at five percent on the amount of the (deficit) unfunded liability found by the actuarial survey of the fund.

~~The total of these two amounts represents the financial requirements of the association for the following year.~~

*(c) To the dollar amount of normal cost thus determined shall be added an amount equal to the level annual dollar amount sufficient to amortize the unfunded accrued liability by December 31, 2010, as determined from the actuarial survey of the fund.*

Except as otherwise provided in this paragraph, the minimum obligation of the governmental subdivision shall be the financial requirements of the association less the estimated amount of member contributions herein provided from covered salary anticipated for the following calendar year and less one year's estimated receipts expected from the applicable state of Minnesota through state collected insurance premium taxes or other state aids aid



*program established pursuant to sections 69.011 to 69.051, and from the local police and salaried firefighters' relief association amortization aid program established pursuant to section 3. The minimum obligation may, by vote of the governing body of the governmental subdivision, be reduced to the amount levied in the preceding year for purposes of the association, plus the following percentage of the difference between that levy and the amount of the minimum obligation determined without benefit of this sentence: for the levy made in 1971, 10 percent; in 1972, 20 percent; in 1973, 30 percent; in 1974, 40 percent; in 1975, 50 percent; in 1976, 60 percent; in 1977, 70 percent; in 1978, 80 percent; and in 1979, 90 percent. Commencing with the levy made in 1980, there shall be no reduction in the minimum obligation pursuant to this paragraph.*

(3) The foregoing determination of the obligation of a governmental subdivision shall be submitted to its governing body *on or before the date established by the municipality which shall not be earlier than August 1 and shall not be later than September 1* of each year so that it may ascertain if it has been prepared in accordance with law.

(4) The governmental subdivision shall provide and pay as promptly as funds are available to the association at least the amount of the minimum obligation each year. Any portion of this amount not paid to the association at the end of any calendar year shall be increased at the rate of six percent per annum until so paid. On September 1 of any year the unpaid amount subject to interest shall be added to the obligation of the governmental subdivision.

(5) The governmental subdivision shall provide in its annual budget at least its minimum obligation and may levy taxes for the payment thereof without limitation as to rate or amount and irrespective of limitations imposed by other provisions of law upon the rate or amount of taxation when the balance of any fund of the association has attained a specified level; the levy of such taxes shall not cause the amount of other taxes levied or to be levied by the governmental subdivision, which are subject to any such limitation, to be reduced in any amount *whatsoever*. If the governmental subdivision does not include the full amount of the minimum obligation in its levy for any year, the officers of the association shall certify that amount to the county auditor, who shall spread a levy in the amount of such obligation.

(6) Moneys paid by the governmental subdivision to the association in excess of the minimum amount *so required* shall be applied to the reduction in the unfunded *liabilities* of the association.

(7) The funds of the association shall be *invested* in securities which are proper investments for funds of the Minnesota state retirement system, except that up to \$10,000 may be invested in the stock of any one corporation in any account of such small size that the three percent stock limitation applicable to the Minnesota state retirement system would necessitate a lesser investment. Securities held by the association before July 1, 1971, which do not

meet the requirements of this paragraph may be retained after that date if they were proper investments for the association on April 28, 1969. The governing board of the association may select and appoint investment agencies to act for and in its behalf or may certify funds for investment by the state board of investment under the provisions of section 11.21, provided that there be no share account described in section 11.18, subdivision 2, or in the fixed-return account described in section 11.18, subdivision 3a, and that up to 20 percent of that portion of the assets of the association invested in the Minnesota supplemental retirement fund may be invested in the growth share account described in section 11.18, subdivision 3.

(8) The association shall procure an actuarial survey showing the condition of its fund pursuant to section 356.216 as of December 31, 1978, and shall procure an actuarial survey every two years thereafter. The association shall also procure a quadrennial experience study pursuant to section 356.216 as of December 31, 1978, and shall procure a quadrennial experience study every four years thereafter. A copy of the actuarial survey and the quadrennial experience study shall be filed with the director of the legislative reference library, the governing body of the municipality in which the association is organized, the executive secretary of the legislative commission on pensions and retirement, and the commissioner of insurance, not later than June 1 of the following year."

Page 6, after line 13, insert:

"Sec. 2. Minnesota Statutes 1978, Section 353.657, Subdivision 3, is amended to read:

Subd. 3. Each dependent child, until the child reaches the age of 18 years, shall receive a monthly benefit equal to ten percent of the member's average monthly salary earned as a police officer or fire fighter on which employee contributions were paid over the last full six months of allowable service preceding death. Payments for the benefit of any qualified dependent child under the age of 18 years shall be made to the surviving parent, or if there be none, to the legal guardian of such the child. The maximum monthly benefit for any one family shall not exceed \$450 an amount equal to 50 percent of the member's specified average monthly salary, and the minimum benefit per family shall not be less than 30 percent of the member's said specified average monthly salary; subject to the aforementioned maximum."

Page 11, line 2, after "municipality" insert ", except the city of Minneapolis,"

Page 13, after line 27, insert:

"Sec. 5. [ALTERNATIVE BENEFIT INCREASE.] Notwithstanding any contrary provision of Laws 1969, Chapters 641 or 694, and in lieu of the benefit increase provided for in section 2, subdivision 4, the governing body of a participating municipality is authorized by resolution approved by a majority of the members of the governing body, following consideration of an actuarial analysis of the effect of any change, to increase the service pension

or retirement benefits provided by or modify any provision of the benefit plan of either a police relief association or a firefighters relief association. The total cost of any increase or modification, including amortization by the applicable date to amortize specified in any prior applicable special legislation, shall not exceed 1.26 percent of covered payroll.

**Sec. 6. [MINNEAPOLIS POLICE AND FIREFIGHTERS RELIEF ASSOCIATIONS: MINIMUM MEMBER CONTRIBUTION.]** Notwithstanding any provision of Minnesota Statutes, Section 69.77, or any other law to the contrary, the minimum employee contribution to the special fund of the relief association for retirement and survivorship benefits by each member of the Minneapolis police relief association or the Minneapolis firefighters relief association, during the remaining term of covered employment by the member shall be seven percent of the maximum salary from which retirement and survivorship credits and amounts of benefits are determined, effective July 1, 1980, and eight percent effective January 1, 1981.

**Sec. 7. [HEALTH AND WELFARE BENEFIT.]** Notwithstanding any law to the contrary, any person who, after July 1, 1980, retires on a service pension or a disability benefit from the Minneapolis police relief association or the Minneapolis firefighters relief association shall be entitled on January 1, 1981, or upon the date of retirement, whichever occurs later, to receive a monthly health and welfare benefit. The monthly health and welfare benefit shall be an amount equal to one unit as defined pursuant to Laws 1963, Chapter 315, Section 1, Subdivision 3, for the Minneapolis police relief association, or Minnesota Statutes, Section 69.45, for the Minneapolis firefighters relief association, whichever is applicable. The monthly health and welfare benefit shall be paid to the retired member unless the retired member designates in writing that the amount be paid to an insurance carrier to defray the cost of any health or welfare related insurance coverage.

**Sec. 8. [DETERMINATION OF FINANCIAL REQUIREMENTS OF RELIEF ASSOCIATION AND MINIMUM MUNICIPAL OBLIGATION.]** The officers of the Minneapolis police relief association and the Minneapolis firefighters relief association shall include in their determinations of the financial requirements of the relief association and the minimum obligation of the governmental subdivision submitted to the city of Minneapolis on or before September 1, 1980, pursuant to Minnesota Statutes, Section 69.77, Subdivision 2, Clauses (2) and (3), the cost of the health and welfare benefit as estimated by the actuary of the respective relief association based on the most recent actuarial valuation of the relief association prepared pursuant to Minnesota Statutes, Sections 69.77, 356.215 and 356.216. The city of Minneapolis shall provide sufficient financial support to each relief association to meet the minimum obligation of the governmental subdivision including the cost of the health and welfare benefit, effective January 1, 1981."

Page 13, line 30, after the period insert "Any benefit change pursuant to section 5 shall be effective upon approval by the govern-

*ing body of the municipality and upon compliance with Minnesota Statutes, Section 645.021, Sections 6, 7, and 8 are effective upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after "program;" insert "authorizing the governing body of a municipality to make certain modifications in the benefit of police and firefighters relief associations; establishing benefits and contribution levels in the city of Minneapolis;"

Page 1, line 10, delete "Section" and insert "Sections"

Page 1, line 10, after "2" insert ", as amended; and 353.657, Subdivision 3"

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

Mr. Schaaf from the Committee on Governmental Operations, to which was referred the following appointment as reported in the Journal for March 22, 1979:

**METROPOLITAN COUNCIL  
CHAIRMAN**

**Charles Weaver**

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

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

Mr. Schaaf from the Committee on Governmental Operations, to which were referred the following appointments as reported in the Journal for April 9, 1979:

**METROPOLITAN COUNCIL**

**Martin N. Kellogg**

**Charles L. Rafferty**

**George C. Dahlvang**

**Gladys S. Brooks**

**Ernest A. Lindstrom**

**Dirk deVries**

**Marcia L. Bennett**

**Kathleen C. Ridder**

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

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

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

#### **METROPOLITAN COUNCIL**

**Roger H. Scherer**

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

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

Mr. Schaaf from the Committee on Governmental Operations, to which was referred the following appointment as reported in the Journal for February 4, 1980:

#### **METROPOLITAN COUNCIL**

**Patricia J. Hasselmo**

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

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

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

S. F. No. 1633: A bill for an act relating to veterans; modifying the duties, authority and scope of operations of the department of veterans affairs; authorizing the commissioner of veterans affairs to accept uncompensated voluntary services; entitling uncompensated voluntary workers to the benefits of workers' compensation; providing for the appointment of the commissioner of veterans affairs as the guardian of an estate; revising the veterans home eligibility requirements; amending Minnesota Statutes 1978, Sections 196.05; 196.051; 197.06; 198.01; and Minnesota Statutes, 1979 Supplement, Section 176.011, Subdivision 9.

Reports the same back with the recommendation that the report from the Committee on Veterans' Affairs shown in the Journal for February 18, 1980 "And when so amended the bill do pass" be adopted and the bill be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1759, 1789, 1734, 1842, 1653, 1802, 1054, 1605, 407, 1573, 1725, 1807, 1449, 1674, 1775, 1812, 1659, 1661, 1736, 1843, 1887, 1719, 1675, 1658, 1741 and 1630 makes the following report:

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

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

Mr. Coleman from the Committee on Rules and Administration, to which were referred for proper reference under Rule 35: S. F. Nos. 1975 and 2127

Reports the same back with the recommendation that the bills be re-referred as follows:

S. F. No. 2127 to the Committee on Education.

S. F. No. 1975 to the Committee on Judiciary.

Report adopted.

### APPOINTMENTS

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

S. F. No. 1670: Messrs. Humphrey, Dieterich, Ogdahl, Anderson and McCutcheon.

S. F. No. 410: Messrs. Davies, Knutson and Lessard.

S. F. No. 768: Messrs. Luther, Benedict and Ulland, J.

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

### SECOND READING OF SENATE BILLS

S. F. Nos. 789, 1740, 1311, 1996, 1921, 597, 1615 and 1863 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

### SECOND READING OF HOUSE BILLS

H. F. No. 1169 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

### MOTIONS AND RESOLUTIONS

Mr. Tennessen moved that his name be stricken as co-author to S. F. No. 1113. The motion prevailed.

Mr. Keefe, S. moved that the names of Messrs. Spear and Keefe, J. be added as co-authors to S. F. No. 1581. The motion prevailed.

Mr. Solon moved that the name of Mr. Ulland, J. be added as co-author to S. F. No. 2075. The motion prevailed.

Mr. Knoll moved that the name of Mr. Merriam be added as co-author to S. F. No. 2100. The motion prevailed.

Mr. Anderson moved that the name of Mr. Merriam be added as co-author to S. F. No. 2105. The motion prevailed.

Mr. Solon moved that the name of Mr. Ulland, J. be added as co-author to S. F. No. 2106. The motion prevailed.

Mr. Sikorski moved that the names of Messrs. Setzepfandt, Stern and Nelson be added as co-authors to S. F. No. 2142. The motion prevailed.

Mr. Willet moved that S. F. No. 2139 be withdrawn from the Committee on Education and re-referred to the Committee on Finance. The motion prevailed.

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

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

Mary Jo McGuire, Page classification, effective February 18, 1980

Mark Hanson, Researcher classification, effective February 13, 1980

Rev. Edward Flahavan, Chaplain, effective February 25, 1980

Rev. Michael T. Kartes, Chaplain, effective February 28, 1980

Rev. Wayne Kendrick, Chaplain, effective March 3, 1980

Rabbi Sylvan Kamens, Chaplain, effective March 6, 1980

Rev. Roger Carroll, Chaplain, effective March 10, 1980

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

Mr. Davies moved that S. F. No. 64, No. 1 on General Orders, be stricken and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Ulland, J.; Mrs. Knaak; Messrs. Bang, Pillsbury and Johnson introduced—

Senate Resolution No. 47: A Senate resolution relating to extending congratulations to the many Minnesotans who are members, coaches or other staff of the United States team at the XIII Olympic Winter Games.

Referred to the Committee on Rules and Administration.

Mr. Keefe, S. moved that S. F. No. 550 be taken from the table. The motion prevailed.

S. F. No. 550: A bill for an act relating to elections; regulating campaign financing; increasing certain expenditure limits; providing that a candidate's expenditure limit agreement is not binding unless agreements are signed by the candidate's opponents; amend-

ing Minnesota Statutes 1978, Sections 10A.25, Subdivision 2; and 10A.32, Subdivisions 3 and 3b.

### CONCURRENCE AND REPASSAGE

Mr. Keefe, S. moved that the Senate concur in the amendments by the House to S. F. No. 550 and that the bill be placed on its repassage as amended.

### CALL OF THE SENATE

Mr. Keefe, S. imposed a call of the Senate for the balance of the proceedings on S. F. No. 550. The following Senators answered to their names:

Anderson	Engler	Knutson	Perpich	Staples
Aashbach	Frederick	Lessard	Peterson	Stern
Bang	Gearty	Luther	Pillsbury	Stokowski
Barrette	Gunderson	Menning	Renneke	Strand
Benedict	Hanson	Merriam	Rued	Stumpf
Bernhagen	Hughes	Moe	Schmitz	Tennessee
Brataas	Jensen	Nelson	Setzepfandt	Ueland, A.
Chmielewski	Johnson	Nichols	Sieloff	Ulland, J.
Coleman	Keefe, S.	Ogdahl	Sikorski	Willet
Davies	Kirchner	Olhoft	Sillers	
Dieterich	Knaak	Olson	Solon	
Dunn	Knoll	Omann	Spear	

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

The question recurred on the motion of Mr. Keefe, S. The motion prevailed.

S. F. No. 550: A bill for an act relating to elections; regulating campaign financing; increasing certain expenditure limits; amending Minnesota Statutes 1978, Section 10A.25, Subdivision 2.

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 39 and nays 23, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	McCutcheon	Perpich	Staples
Benedict	Hughes	Menning	Peterson	Stern
Chmielewski	Johnson	Merriam	Schaaf	Stokowski
Coleman	Keefe, S.	Moe	Schmitz	Strand
Davies	Kleinbaum	Nelson	Setzepfandt	Stumpf
Dieterich	Knoll	Nichols	Sikorski	Tennessee
Gearty	Lessard	Olhoft	Solon	Willet
Gunderson	Luther	Olson	Spear	

Those who voted in the negative were:

Aashbach	Dunn	Kirchner	Pillsbury	Ueland, A.
Bang	Engler	Knaak	Renneke	Ulland, J.
Barrette	Frederick	Knutson	Rued	Wegener
Bernhagen	Jensen	Ogdahl	Sieloff	
Brataas	Keefe, J.	Omann	Sillers	

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



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

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Measrs. Davies, Merriam, Spear, Perpich and Bernhagen introduced—

S. F. No. 2202: A bill for an act relating to legal services; providing that the attorney general shall render bond counsel services to state agencies and political subdivisions; appropriating money.

Referred to the Committee on Judiciary.

### CALENDAR

S. F. No. 1652: 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.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knaak	Perpich	Spear
Ashbach	Frederick	Knoll	Peterson	Staples
Bang	Gearty	Lessard	Pillsbury	Stern
Barrette	Gunderson	Luther	Renneke	Stokowski
Benedict	Hanson	Menning	Rued	Stumpf
Bernhagen	Hughes	Merriam	Schaaf	Tennessen
Brataas	Jensen	Moe	Schmitz	Ueland, A.
Chmielewski	Johnson	Nelson	Setzepfandt	Ulland, J.
Coleman	Keefe, J.	Ogdahl	Sieloff	Wegener
Davies	Keefe, S.	Olhoft	Sikoraki	Willet
Dieterich	Kirchner	Olson	Sillers	
Dunn	Kleinbaum	Omann	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1722: A bill for an act relating to corrections; prescribing penalties for persons who introduce contraband into state hospitals; amending Minnesota Statutes, 1979 Supplement, Section 243.55.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

### CONSENT CALENDAR

S. F. No. 1438: A bill for an act relating to towns; providing for the date and notice of town meetings; amending Minnesota Statutes 1978, Section 365.51.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 1240, 1625, 1619, 507, 1726 and 1728, which the committee recommends to pass.

S. F. No. 1584, which the committee recommends to pass with the following amendment offered by Mr. Willet:

Page 4, line 19, delete "department" and insert "commissioner"

Page 4, line 20, delete "department" and insert "commissioner"

Page 4, line 24, delete "department" and insert "commissioner"

Page 5, line 4, delete "department" and insert "commissioner"

The motion prevailed. So the amendment was adopted.

S. F. No. 1772, which the committee recommends to pass with the following amendment offered by Mr. Menning:

Page 3, line 5, delete the semicolon and insert a comma

Page 3, line 5, after "except" insert "that"

The motion prevailed. So the amendment was adopted.

S. F. No. 1764, which the committee recommends to pass with the following amendment offered by Mr. Ueland, A.:

Page 6, after line 10, insert:

"Sec. 6. Minnesota Statutes 1978, Section 274.01, Subdivision 1, is amended to read:

274.01 [BOARD OF REVIEW.] Subdivision 1. (a) The town board of each town, the council or other governing body of each city, except in cities whose charters provide for a board of equalization, shall be a board of review. The county assessor shall fix a day and time when each of such boards and the board of equalization of any city whose charter provides for a board of equalization shall meet in the several assessment districts of the county, and shall on or before April 1st of each year give written notice thereof to the clerk. Such meetings notwithstanding the provisions of any charter to the contrary shall be held between April 1st and June 30th in each year, and the clerk shall give published and posted notice of such meeting at least ten days prior to the date fixed. Such board shall meet at the office of the clerk to review the assessment and classification of property in such town or district, and immediately proceed to examine and see that all taxable property in the town or district has been properly placed upon the list, and duly valued by the assessor. In case any property, real or personal shall have been omitted, the board shall place it upon the list with its market value, and correct the assessment so that each tract or lot of real property, and each article, parcel, or class of personal property, shall be entered on the assessment list at its market value; but no assessment of the property of any person shall be raised until he has been duly notified of the intent of the board so to do. On application of any person feeling aggrieved, the board shall review the assessment or classification or both, and correct it as shall appear just, *provided that upon review pursuant to application of a person feeling aggrieved, the board shall not increase the valuation of real property for the current assessment year over the amount of the valuation reviewed.* A majority of the members may act at such meeting, and adjourn from day to day until they finish the hearing of all cases presented. The assessor shall attend, with his assessment books and papers, and take part in the proceedings, but shall not vote. The county assessor, or an assistant delegated by him shall attend such meetings. The board shall list separately, on a form appended to the assessment book, all omitted property added to the list by the board and all items of property increased or de-

creased, with the market value of each item of property, added or changed by the board, placed opposite such item. The county assessor shall enter all changes made by the board in the assessment book.

(b) If a person fails to appear in person, by counsel, or by written communication before the board after being duly notified of the board's intent to raise the assessment of his property, or if a person feeling aggrieved by an assessment or classification fails to apply for a review of the assessment or classification, he may not appear before the county board of equalization for a review of his assessment or classification, except when an assessment was made subsequent to the meeting of the board, as provided in section 273.01, or that he can establish that he did not receive notice of his market value at least five days before the local board of review meeting.

The board of review, and the board of equalization of any city, unless a longer period is approved by the commissioner of revenue, shall complete its work and adjourn within 20 days from the time of convening specified in the notice of the clerk and no action taken subsequent to such date shall be valid. All complaints in reference to any assessment or classification made after the meeting of such board, shall be heard and determined by the county board of equalization. Any non-resident may, at any time, before the meeting of the board of review file written objections to his assessment or classification with the county assessor and if any such objections are filed they shall be presented to the board of review at its meeting by the county assessor for its consideration."

Page 8, line 10, strike the period and insert a semicolon

Page 8, after line 10, insert:

*"(7) Notwithstanding clause (a) (1) of this subdivision, upon an appeal of a decision of the board of review, the board shall not raise the valuation of a tract or lot of real property, except as provided in clause (a) (5), over the valuation made by the board of review for the same assessment year."*

Page 22, line 17, delete "7, 8, 9, 16" and insert "8, 9, 10, 17"

Page 22, line 18, delete "18" and insert "19"

Page 22, line 19, delete "10 through 15" and insert "11 through 16"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after the semicolon, insert "prohibiting increases in valuation of property after appeals of market value;"

Page 1, line 13, after "1;" insert "274.01, Subdivision 1;"

The motion prevailed. So the amendment was adopted.

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

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Monday, March 3, 1980. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate