

SEVENTY-FOURTH DAY

St. Paul, Minnesota, Thursday, March 6, 1980

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

CALL OF THE SENATE

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

Ashbach	Frederick	Knaak	Penny	Sikorski
Bang	Gearty	Knutson	Perpich	Sillers
Barrette	Gunderson	Laufenburger	Peterson	Spear
Bernhagen	Hanson	Lessard	Pillsbury	Staples
Brataas	Hughes	Luther	Purfeerst	Stern
Chmielewski	Jensen	McCutcheon	Renneke	Strand
Coleman	Johnson	Menning	Rued	Stumpf
Davies	Keefe, S.	Moe	Schmitz	Ueland, A.
Dunn	Kirchner	Nelson	Setzepfandt	Wegener
Engler	Kleinbaum	Omann	Sieloff	Willet

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

Prayer was offered by the Chaplain, Rabbi Sylvan Kamens.

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

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

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Humphrey and Vega were excused from the Session of today. Mrs. Stokowski was excused from the Session of today from 10:00 o'clock a.m. to 11:00 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.

Mr. Stumpf introduced—

S. F. No. 2253: A bill for an act relating to state agencies; altering certain procedures of the capitol area architectural and planning board; adding members to the board; appropriating money; amending Minnesota Statutes 1978, Section 15.50, Subdivisions 1 and 2.

Referred to the Committee on Governmental Operations.

Mr. Sieloff introduced—

S. F. No. 2254: A bill for an act relating to arrest records; providing for the return of arrest records to unconvicted persons; providing for the sealing of arrest records when convictions are set aside; amending Minnesota Statutes 1978, Sections 299C.11; 609.166; 609.167, Subdivision 3; and 609.168.

Referred to the Committee on Judiciary.

Mr. Engler introduced—

S. F. No. 2255: A bill for an act relating to local government; providing for mileage allowances of officers and employees; amending Minnesota Statutes, 1979 Supplement, Section 471.665, Subdivision 1.

Referred to the Committee on Local Government.

Messrs. Peterson, Hanson, Nichols and Strand introduced—

S. F. No. 2256: A bill for an act relating to taxation; motor fuels tax; providing for the payment of tax on ethyl alcohol produced for personal use; amending Minnesota Statutes 1978, Section 296.14, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Knoll, Stern and Hanson introduced—

S. F. No. 2257: A bill for an act relating to housing; authorizing certain housing and redevelopment authorities to plan, implement, and finance single family housing rehabilitation loan and grant programs; authorizing the planning, implementation and financing of multifamily moderate rehabilitation loan and grant programs; authorizing the planning, implementation and financing of single family housing mortgage programs in conjunction with

municipal redevelopment and revitalization; authorizing the planning, implementation and financing of the construction of multifamily rental housing; defining terms; amending Minnesota Statutes 1978, Sections 462.421, Subdivision 14, and by adding subdivisions; and 462.445, by adding subdivisions; and Minnesota Statutes, 1979 Supplement, Section 462.445, Subdivision 9.

Referred to the Committee on Energy and Housing.

Mr. Moe introduced—

S. F. No. 2258: A bill for an act relating to the state building code; authorizing municipalities under 5,000 to elect that the code not apply within their jurisdictions.

Referred to the Committee on Energy and Housing.

Mrs. Staples, Messrs. Kirchner and Gunderson introduced—

S. F. No. 2259: A bill for an act relating to judicial commitment; requiring an investigation and report by county welfare prior to filing a commitment petition; amending Minnesota Statutes 1978, Chapter 253A, by adding a section.

Referred to the Committee on Judiciary.

Mrs. Staples introduced—

S. F. No. 2260: A bill for an act relating to commerce; prohibiting certain indemnification clauses in construction contracts.

Referred to the Committee on Commerce.

Mrs. Knaak, Messrs. Sieloff, Knutson and Omann introduced—

S. F. No. 2261: A bill for an act relating to crimes; prohibiting the sale of drug related devices to minors; prohibiting the possession of drug related devices by minors; prescribing penalties.

Referred to the Committee on Judiciary.

Mr. Sikorski introduced—

S. F. No. 2262: A bill for an act relating to insurance; providing direct liability of certain insurers to persons entitled to recovery; permitting a direct action against the insurer; amending Minnesota Statutes 1978, Section 60A.08, by adding a subdivision; and Chapter 540, by adding a section.

Referred to the Committee on Judiciary.

Mr. Merriam introduced—

S. F. No. 2263: A bill for an act relating to education; requiring a school board to provide certain teachers on extended leaves of absence with certain health care benefits under certain conditions; amending Minnesota Statutes 1978, Section 125.60, by adding a subdivision.

Referred to the Committee on Education.

Mr. Merriam introduced—

S. F. No. 2264: A bill for an act relating to delivery or filing of documents; providing for timely delivery or filing of certain documents with respect to weekends and holidays; amending Minnesota Statutes 1978, Chapter 645, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Benedict, Kirchner and Bang introduced—

S. F. No. 2265: A bill for an act relating to the city of Bloomington; permitting the establishment of a port authority.

Referred to the Committee on Local Government.

Messrs. Stumpf; Ueland, A. and Gunderson introduced—

S. F. No. 2266: A bill for an act relating to libraries; requiring each county to be a member of a regional public library system; making a county's decision to join a particular system subject to department of education approval; allowing additional counties to join a regional public library system pursuant to the joint powers provision; amending Minnesota Statutes 1978, Section 375.335, Subdivision 1.

Referred to the Committee on Local Government.

Mr. Schaaf introduced—

S. F. No. 2267: A bill for an act relating to juveniles; establishing a commission to plan a program for the secure diagnosis and treatment of serious juvenile offenders; appropriating money.

Referred to the Committee on Governmental Operations. Mr. Davies questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Johnson and Willet introduced—

S. F. No. 2268: A bill for an act relating to taxation; income; providing a deduction for carpool and vanpool commuting costs; amending Minnesota Statutes 1978, Section 290.09, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Johnson and Willet introduced—

S. F. No. 2269: A bill for an act relating to taxation; income; providing a deduction for commuting costs; amending Minnesota Statutes 1978, Section 290.09, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Willet, Laufenburger, Nichols, Kleinbaum and Ueland, A. introduced—

S. F. No. 2270: A bill for an act relating to state universities; appropriating funds for faculty salary increases.

Referred to the Committee on Finance.

Messrs. Ashbach and Schaaf introduced—

S. F. No. 2271: A bill for an act relating to drainage; regulating drainage systems in the metropolitan area.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Tennesen, Mrs. Brataas, Messrs. Bang, Laufenburger and Kleinbaum introduced—

S. F. No. 2272: A bill for an act relating to financial institutions; providing for interest rates on certain installment loans; amending Minnesota Statutes 1978, Section 48.153.

Referred to the Committee on Commerce.

Messrs. Kleinbaum and Lessard introduced—

S. F. No. 2273: A bill for an act proposing an amendment to the Minnesota Constitution, Article XIII, Section 5; permitting a state lottery if authorized by law.

Referred to the Committee on General Legislation and Administrative Rules.

Mr. Humphrey introduced—

S. F. No. 2274: A bill for an act relating to open meetings; providing for the award of costs and disbursements; amending Minnesota Statutes 1978, Section 471.705, by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Peterson introduced—

S. F. No. 2275: A bill for an act relating to retirement; deferral

of benefits and age and service requirements for certain justices of the supreme court; amending Minnesota Statutes 1978, Section 490.025, Subdivisions 2 and 3.

Referred to the Committee on Governmental Operations.

Messrs. Nichols, Menning and Renneke introduced—

S. F. No. 2276: A bill for an act relating to education; providing for training teachers and producers in the method of producing agriculturally derived alcohol fuels; appropriating money.

Referred to the Committee on Education.

Mr. Nichols introduced—

S. F. No. 2277: A bill for an act relating to cooperatives; providing for open cooperative meetings; amending Minnesota Statutes 1978, Section 308.09, by adding a subdivision.

Referred to the Committee on Commerce.

Mr. Davies introduced—

S. F. No. 2278: A bill for an act relating to children; limiting time during which consents to adoption or placement agreements may be withdrawn or revoked; clarifying effect of certain provisions relating to adoption and placement proceedings; amending Minnesota Statutes, 1979 Supplement, Sections 259.24, Subdivision 6, and 259.25, Subdivision 2.

Referred to the Committee on Judiciary.

Mr. Sikorski introduced—

S. F. No. 2279: A bill for an act relating to public safety; crime victims reparations; authorizing the appointment of an unclassified executive secretary; amending Minnesota Statutes 1978, Section 299B.06, Subdivision 1.

Referred to the Committee on Governmental Operations.

Mr. Luther introduced—

S. F. No. 2280: A bill for an act relating to local government; permitting the acquisition and financing of data processing equipment by Local Government Information Systems and its members.

Referred to the Committee on Local Government.

Mr. Hanson introduced—

S. F. No. 2281: A bill for an act relating to taxation; imposing

penalties for failure to file returns for Kittson and Marshall counties' gravel tax; amending Laws 1977, Chapter 112, Section 3.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson introduced—

S. F. No. 2282: A bill for an act relating to retirement; teachers retirement association; authorizing the retroactive payment of certain omitted retirement annuity amounts to certain persons.

Referred to the Committee on Governmental Operations.

Messrs. Setzepfandt, Wegener, Olhoff and Engler introduced—

S. F. No. 2283: A bill for an act relating to local improvements; providing for certain hearings and appeals on special assessments; amending Minnesota Statutes 1978, Sections 429.061, Subdivisions 1 and 2; and 429.081.

Referred to the Committee on Local Government.

Messrs. Laufenburger, Olson, Bang, Knutson and Kleinbaum introduced—

S. F. No. 2284: A bill for an act relating to financial institutions; requiring all checks and drafts drawn on certain accounts to clearly display the month and year the account was opened.

Referred to the Committee on Commerce.

Mr. Anderson introduced—

S. F. No. 2285: A bill for an act relating to public welfare; eliminating authorization for Minnesota State Children's Center; repealing Minnesota Statutes 1978, Sections 260.41 to 260.46.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Anderson introduced—

S. F. No. 2286: A bill for an act relating to the environment; providing for studies of potential soil and ground water contamination in cases where there is actual or potential danger to drinking water supplies resulting from the disposal of hazardous wastes; authorizing the attorney general to recover the costs of the studies under certain circumstances; appropriating money.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Anderson introduced—

S. F. No. 2287: A bill for an act relating to state lands; providing

for the conveyance to the county of Anoka of a leasehold interest in certain state property.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Moe introduced—

S. F. No. 2288: A bill for an act relating to the city of Fertile; authorizing the issuance of bonds authorized at a special election.

Referred to the Committee on Local Government.

Messrs. Olhoft, Johnson and Hanson introduced—

S. F. No. 2289: A bill for an act relating to taxation; allowing a carryforward of the political contribution income tax credit; amending Minnesota Statutes, 1979 Supplement, Section 290.06, Subdivision 11.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Anderson, Dunn and Purfeerst introduced—

S. F. No. 2290: A bill for an act relating to education; appropriating money for the purpose of providing facilities for the education of residents of state hospitals; imposing certain conditions on receipt of the money by a school district; authorizing the sale of bonds.

Referred to the Committee on Education.

Messrs. Anderson, Willet and Dunn introduced—

S. F. No. 2291: A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks and authorizing land acquisition in relation thereto.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Penny introduced—

S. F. No. 2292: A bill for an act relating to regional railroad authorities; providing for their organization and governmental purpose, powers and duties.

Referred to the Committee on Transportation.

Mr. Keefe, J. introduced—

S. F. No. 2293: A bill for an act relating to crimes; authorizing the court to reduce certain public offenses to petty misdemeanors; prescribing penalties.

Referred to the Committee on Judiciary.

Mr. Keefe, J. introduced—

S. F. No. 2294: A bill for an act relating to crimes; providing for admissibility of evidence of alcohol or controlled substance in blood, breath or urine in certain cases; amending Minnesota Statutes 1978, Section 169.121, Subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Laufenburger, Jensen, Ashbach and Johnson introduced—

S. F. No. 2295: A bill for an act relating to insurance; increasing the maximum limits on the insuring or reinsuring of a single risk of certain companies; defining a term; amending Minnesota Statutes 1978, Section 60A.09, Subdivision 1, and by adding a subdivision.

Referred to the Committee on Commerce.

Mr. Schaaf introduced—

S. F. No. 2296: A bill for an act relating to health; regulating the use of ionizing radiation; directing the commissioner of health to set standards related to the use of x-ray equipment; setting a penalty.

Referred to the Committee on Health, Welfare and Corrections.

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

S. F. No. 2297: A bill for an act relating to crimes; prohibiting the setting of certain traps; increasing the penalties for the setting of certain devices; amending Minnesota Statutes 1978, Section 609.665.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Hanson introduced—

S. F. No. 2298: A bill for an act relating to workers' compensation; permitting the commissioner of labor and industry to enter reciprocity agreements with workers' compensation agencies of other states; amending Minnesota Statutes 1978, Section 176.041, by adding a subdivision.

Referred to the Committee on Employment.

Mr. Hanson introduced—

S. F. No. 2299: A bill for an act relating to occupations and professions; allowing the board of cosmetology to waive certain license requirements for manager-operators with licenses from other states; amending Minnesota Statutes 1978, Section 155.14.

Referred to the Committee on Commerce.

Mr. Hanson introduced—

S. F. No. 2300: A bill for an act relating to retirement; police survivor benefits in the city of Thief River Falls.

Referred to the Committee on Governmental Operations.

Messrs. Stern, Knoll, Menning and Wegener introduced—

S. F. No. 2301: A bill for an act relating to the state transportation system; permitting transportation bond proceeds to be used for certain railroad improvements; amending Minnesota Statutes 1978, Section 174.51, Subdivision 1.

Referred to the Committee on Transportation.

Messrs. Stern and Peterson introduced—

S. F. No. 2302: A bill for an act relating to taxation; exempting certain income of elderly persons from taxation; amending Minnesota Statutes, 1979 Supplement, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Mr. Spear introduced—

S. F. No. 2303: A bill for an act relating to human rights; prohibiting certain discrimination; amending Minnesota Statutes 1978, Sections 363.01, by adding a subdivision; and 363.03, Subdivisions 1, 2, 5 and 8.

Referred to the Committee on Judiciary.

Mr. Spear introduced—

S. F. No. 2304: A bill for an act relating to crimes; modifying procedures for granting parole; amending Minnesota Statutes 1978, Section 243.05.

Referred to the Committee on Judiciary.

Mr. Anderson introduced—

S. F. No. 2305: A bill for an act relating to energy; prohibiting the sale of certain motor vehicles after a certain date unless a certain prescribed condition is met.

Referred to the Committee on Energy and Housing.

Messrs. Rued, Engler, Solon and Omann introduced—

S. F. No. 2306: A bill for an act relating to taxation; sales and use; exempting certain sales made by persons age 60 or over;

amending Minnesota Statutes, 1979 Supplement, Section 297A.25, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Setzepfandt introduced—

S. F. No. 2307: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to convey the interests of the state in certain lands in Kandiyohi county for the purpose of correcting conveyancing errors.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Peterson and Willet introduced—

S. F. No. 2308: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to enter into agreements with the Minnesota Chippewa Tribe and Bands thereof in regard to licenses and fees for hunting, fishing, trapping, and taking of minnows and other bait on Indian reservations by non-Indians; amending Minnesota Statutes 1978, Sections 97.431, Subdivision 4; and 97.432; and Chapter 97, by adding a section.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Strand introduced—

S. F. No. 2309: A bill for an act relating to waters; creating a South Dakota-Minnesota boundary waters commission; assigning duties and powers; amending Minnesota Statutes 1978, Section 114.13, Subdivisions 1, 2, 4, and by adding a subdivision; repealing Minnesota Statutes 1976, Section 114.13, Subdivision 3.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Sieloff, Barrette, Knutson, Mrs. Knaak and Mr. Omann introduced—

S. F. No. 2310: A bill for an act relating to taxation; property tax refund; providing an additional credit for certain homeowners; appropriating money; amending Minnesota Statutes 1978, Section 290A.04, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Merriam introduced—

S. F. No. 2311: A bill for an act relating to the cities of Coon Rapids in Anoka County and Vadnais Heights in Ramsey County;

financing housing programs; amending Laws 1979, Chapter 306, Section 14, Subdivision 3.

Referred to the Committee on Energy and Housing.

Mrs. Staples and Mr. McCutcheon introduced—

S. F. No. 2312: A resolution memorializing the President and Congress to adopt federal legislation concerning the destruction of certain energy facilities.

Referred to the Committee on Energy and Housing.

Mrs. Brataas and Mr. Ogdahl introduced—

S. F. No. 2313: A bill for an act relating to the city of Rochester; granting investment jurisdiction over funds of the Rochester fire department relief association to the governing board of the association; repealing Laws 1959, Chapter 131, Section 25, as amended.

Referred to the Committee on Governmental Operations.

Mr. Ashbach introduced—

S. F. No. 2314: A bill for an act relating to taxation; providing that the calculation of the special levy allowed for a decrease in certain operating revenues shall include an inflation adjustment; amending Minnesota Statutes, 1979 Supplement, Section 275.50, Subdivision 5.

Referred to the Committee on Taxes and Tax Laws.

Mr. Kleinbaum introduced—

S. F. No. 2315: A bill for an act relating to financial institutions; providing for investment in certain loans by savings associations; defining terms; amending Minnesota Statutes 1978, Sections 51A.02, Subdivisions 4, 8, and 17; and 51A.37, Subdivision 3.

Referred to the Committee on Commerce.

Mr. Johnson introduced—

S. F. 2316: A bill for an act relating to retirement; authorizing an increase in retirement and survivor benefits payable by the Eveleth police and firefighters relief associations.

Referred to the Committee on Governmental Operations.

Messrs. Dieterich, Hanson, Sikorski and Bernhagen introduced—

S. F. No. 2317: A bill for an act relating to Minnesota Statutes;

correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating certain redundant, conflicting and superseded provisions; reenacting a law; amending Minnesota Statutes 1978, Sections 15.052, Subdivision 9; 16.851, Subdivision 1; 16A.26; 25.31; 25.32; 25.33, Subdivisions 1 and 5; 25.34, Subdivision 3; 25.36; 25.40; 25.41, Subdivisions 1 and 5; 25.42; 25.43; 25.44; 28A.15, Subdivision 4; 89.35; 89.36, Subdivision 1; 89.39; 93.45, Subdivision 2; 111.21, Subdivision 1; 112.46; 116.02, Subdivision 2; 116.16, Subdivision 2; 116C.65; 116H.06; 120.17, Subdivision 9; 122.531, Subdivision 2; 123.42; 124.212, Subdivision 8a; 124.46, Subdivision 3; 125.12, Subdivision 4; 126.41, Subdivision 2; 128A.04; 136.148; 136.501; 136.503, Subdivision 1; 136.506; 144.225, Subdivision 1; 144A.01, Subdivision 5; 144A.10, Subdivision 1; 144A.24; 145.22; 147.073, Subdivision 1; 161.171, Subdivision 5; 161.173; 162.02, Subdivision 11; 168B.02, Subdivisions 1 and 2; 168B.05; 168B.07, Subdivision 2; 168B.08, Subdivision 3; 169.751; 169.99, Subdivision 3; 179.61; 179.62, 179.63, Subdivisions 1 and 4; 179.65, Subdivision 1; 179.66, Subdivisions 5, 6 and 9; 179.67, Subdivision 1; 179.68; 179.71, Subdivisions 2, 4 and 5; 179.74, Subdivision 2; 181.12; 197.17; 202A.61; 238.01; 238.02, Subdivisions 1 and 4; 238.03; 238.04, Subdivision 9; 238.06, Subdivision 2; 238.08, Subdivision 4; 238.10; 238.16, Subdivision 2; 241.08, Subdivision 2; 241.44, Subdivision 1a; 242.37; 243.07; 243.12; 245.813, Subdivision 9; 256.09; 256.736, Subdivision 3; 256.76, Subdivision 2; 256.78; 256D.10; 256D.13; 260.251, Subdivision 3; 268.013, Subdivision 6; 296.01, Subdivision 1; 296.11; 296.15, Subdivision 2; 296.17, Subdivisions 1 and 5; 296.19; 296.20; 296.24; 301.511, Subdivision 2; 325.01, Subdivision 1; 325.907, Subdivision 1; 326.33, Subdivision 1; 333.055, Subdivision 2; 340.07, Subdivision 11; 340.11, Subdivision 9; 340.12; 340.14, Subdivision 5; 352.116; 352.1191; 352E.01, Subdivision 1; 352E.04; 352E.045; 354.44, Subdivision 5; 359.07, Subdivision 2; 360.018, Subdivisions 7 and 9; 363.02, Subdivision 3; 365.22; 367.33, Subdivision 3; 387.45; 390.23; 394.24, Subdivision 3; 394.25, Subdivision 5a; 401.02, Subdivision 1; 412.251; 419.07; 419.075, Subdivision 2; 422A.06, Subdivision 2; 422A.11, Subdivision 1; 429.061, Subdivision 1; 435.191; 440.40; 459.14, Subdivision 7; 462.352, Subdivision 10; 462.36, Subdivision 1; 465.56, Subdivision 2; 471.591, Subdivision 1; 473.163, Subdivision 3; 473.223; 473F.02, Subdivision 21; 474.02, Subdivision 1b; 485.018, Subdivision 4; 485.021; 505.178, Subdivision 2; 525.72; 546.10; 626.556, Subdivision 11; 628.41, Subdivision 6; Chapter 390, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 10A.01, Subdivision 11; 62A.02, Subdivision 3; 69.771, Subdivision 1; 179.74, Subdivision 4; 256B.06, Subdivision 1; 273.73, Subdivision 6; 273.76, Subdivision 2; 273.77; 273.86, Subdivision 4; 275.125, Subdivision 9; 290.06, Subdivisions 3g and 14; 326.211, Subdivision 9; 354A.094, Subdivisions 2, 3, 8, and by adding a subdivision; 354A.38, Subdivision 3; 402.01, Subdivision 1; 424A.06, Subdivision 2; 462A.22, Subdivision 1a; 519.11, Subdivision 1; 549.09, Subdivision 1; Laws 1979, Chapters 134, Section 2; 333, Sections 26, and 31, Subdivision 3; 335, Section 3, Subdivision 20; and reenacting Laws 1979, Chapter 303, Article I.

Section 14; repealing Minnesota Statutes 1978, Sections 239.27; 325.01, Subdivisions 8, 9, 10, 11 and 12; 354A.22, as amended by Laws 1979, Chapter 334, Article VII, Sections 23 to 26; 390.33, Subdivision 7; Laws 1976, Chapters 155, Section 1; 222, Sections 30 and 31; 348, Section 15; Laws 1977, Chapter 323, Section 1; Laws 1979, Chapters 31, Section 2; 217, Section 11; and 316, Section 11.

Referred to the Committee on Judiciary.

Mr. Laufenburger introduced—

S. F. No. 2318: A bill for an act relating to counties; removing a limit on certain park maintenance expenses; amending Minnesota Statutes 1978, Section 375.26.

Referred to the Committee on Local Government.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

February 28, 1980

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 1257, 1042 and 1248.

Sincerely yours,
Albert H. Quie, Governor

March 3, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1980 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1980	Date Filed 1980
1042		347	March 3	March 3
1248		348	March 3	March 3
1257		349	March 3	March 3

Sincerely,
Joan Anderson Growe,
Secretary of State

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 54.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 3, 1980

Mr. President:

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

S. F. No. 693: A bill for an act relating to insurance; excepting certain policies from readability requirements; limiting the applicability of readability requirement with respect to certain forms of insurance policies; permitting delays in compliance for certain forms of insurance policies; amending Minnesota Statutes 1978, Sections 72C.03; 72C.09; and 72C.11, Subdivision 1.

Senate File No. 693 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 3, 1980

CONCURRENCE AND REPASSAGE

Mr. Sikorski moved that the Senate concur in the amendments by the House to S. F. No. 693 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 693 was read the third time, as amended by the House, and placed on its repassage.

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

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

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

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

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

Senate File No. 951 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 3, 1980

CONCURRENCE AND REPASSAGE

Mr. Peterson moved that the Senate concur in the amendments by the House to S. F. No. 951 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 951: A bill for an act relating to small businesses; establishing a uniform definition of small business; amending Minnesota Statutes 1978, Sections 16.085; 161.321, Subdivision 3; and Chapter 645, by adding a section; Minnesota Statutes, 1979 Supplement, Section 161.321, Subdivision 1; repealing Minnesota Statutes 1978, Section 16.082, Subdivisions 2, 3, 4 and 5.

Was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

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

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

Senate File No. 998 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 3, 1980

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 998 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 998 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1427, 1601, 1800, 1207, 1302, 1910 and 2012.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 3, 1980

FIRST READING OF HOUSE BILLS

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

H. F. No. 1427: A bill for an act relating to banks; raising the amount of an employee loan possible without prior board approval; amending Minnesota Statutes 1978, Section 48.08.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1536 now in the Subcommittee on Bill Scheduling.

H. F. No. 1601: A bill for an act relating to political parties; allowing party officers and delegates and alternate delegates to party conventions to take certain leave time from employment; providing penalties; amending Minnesota Statutes 1978, Chapter 202A, by adding a section.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1579 now in the Subcommittee on Bill Scheduling.

H. F. No. 1800: A bill for an act relating to health care; regulating benefits made available under certain health care plans; requiring coverage for reconstructive surgery under certain conditions; amending Minnesota Statutes 1978, Section 62E.06, Subdivision 1, as amended, and Chapter 62A, by adding a section.

Referred to the Committee on Commerce.

H. F. No. 1207: A bill for an act relating to motor vehicles; excluding owners of certain trailers from the requirement to furnish evidence of security; amending Minnesota Statutes 1978, Section 65B.68, Subdivision 2.

Referred to the Committee on Commerce.

H. F. No. 1302: A bill for an act relating to financial institutions; permitting banks and trust companies to take junior liens under certain circumstances; amending Minnesota Statutes 1978, Section 48.19, Subdivision 1.

Referred to the Committee on Commerce.

H. F. No. 1910: A bill for an act relating to courts; second and fourth judicial districts; authorizing juvenile court referees to hear contested trials, hearings, or motions unless objection is made; amending Minnesota Statutes 1978, Section 484.70, by adding a subdivision.

Referred to the Committee on Judiciary.

H. F. No. 2012: A bill for an act relating to motor vehicles; authorizing personalized license plates bearing radio or television station call signals or letters; amending Minnesota Statutes 1978, Section 168.12, Subdivision 2a.

Referred to the Committee on General Legislation and Administrative Rules.

REPORTS OF COMMITTEES

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

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

S. F. No. 1895: A bill for an act relating to communications; establishing a program of special grants to noncommercial radio stations; appropriating money.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1978, Chapter 139 is amended by adding a section to read:

[139.191] [NONCOMMERCIAL RADIO STATIONS.] *Subdivision 1. [TRANSMISSION AND BROADCAST EQUIPMENT GRANTS.] A special grants program is established for noncommercial radio stations. The program is administered by the board of arts which shall award the grants as provided by subdivisions 2 to 5.*

Subd. 2. [ELIGIBILITY FOR GRANTS.] Any noncommercial radio station which has received a grant under the provisions of Minnesota Statutes, Section 139.19, is eligible for a special grant. “Noncommercial radio station” means the same as defined by Minnesota Statutes, Section 139.19, Subdivision 2, Clause (c).

Subd. 3. [USES OF GRANTS.] Grants shall be awarded for the following purposes:

(a) to purchase equipment to increase the power of the station’s transmitting signal;

(b) to make other transmission or tower improvements;

(c) to provide local studio equipment and/or remote broadcasting equipment.

Grants may only be awarded for a purpose specified in this subdivision. The priority with which grants are awarded to any station descends in the order the purposes are listed in clauses (a) to (c).

Subd. 4. [APPLICATIONS FOR GRANTS.] Any station eligible for a grant under subdivision 2 may submit an application for a special grant for use for the purposes provided in subdivision 3. An application may be submitted for more than one of the purposes listed in subdivision 3. All applications shall indicate the specific purpose or purposes within subdivision 3 for which application is made.

Subd. 5. [LIMITATIONS ON GRANTS.] No grant shall exceed \$20,000.

Sec. 2. The sum of \$220,000 is appropriated from the general fund to the board of arts for the purposes of special grants as provided by section 1. Of this amount not to exceed \$. is for administration of the program of special grants. These funds are available to June 30, 1981.

Sec. 3. Sections 1 and 2 are repealed effective July 1, 1981.

Sec. 4. Sections 1 and 2 are effective the day after final enactment."

Amend the title as follows:

Page 1, line 4, before the period insert "; amending Minnesota Statutes 1978, Chapter 139, by adding a section"

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

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

S. F. No. 1837: A bill for an act relating to elections; providing for towns to set their own hours for town elections; requiring polls to be open at least three hours; amending Minnesota Statutes 1978, Section 205.03, Subdivision 3.

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

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

S. F. No. 2096: A bill for an act proposing an amendment to the Minnesota Constitution, Article VIII, by adding a section; providing for recall of elected state executive and judicial officers and state senators by the voters.

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

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

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

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

Delete everything after the enacting clause and insert:

"Section 1. [LEGISLATIVE INTENT.] It is the intent of sections 1 to 6 to encourage contributions by business firms to

neighborhood organizations which are engaged in community activities with the participation and for the benefit of economically disadvantaged persons in order to stimulate and realize the capabilities of those persons for self advancement and to assure the wide utilization of programs intended for their benefit.

Sec. 2. [DEFINITIONS.] Subdivision 1. For the purpose of sections 1 to 6 the following terms shall have the meanings given in this section.

Subd. 2. "Neighborhood organization" means any organization which is primarily engaged in community activities designed to benefit economically disadvantaged persons, which provides for meaningful participation by economically disadvantaged persons in its decision making process, and which is exempt from income taxation under the provisions of the Internal Revenue Code of 1954, as amended through December 31, 1978. Neighborhood organization includes community action agencies, Indian reservation business councils, and other public and private non-profit organizations.

Subd. 3. "Community activities" means counseling, advice and advocacy programs; emergency assistance; medical care; economic development; job training, education, and employment; energy related activities; crime prevention and diversion; programs for handicapped, youth and elderly; and services designed to minimize the effects of poverty for economically disadvantaged persons.

Subd. 4. "Economically disadvantaged persons" means individuals whose incomes are below the poverty level set by the federal office of management and budget or other individuals or groups as defined by rules of the department.

Subd. 5. "Department" means the department of economic security.

Subd. 6. "Commissioner" means the commissioner of the department of economic security.

Subd. 7. "Business firm" means any corporation, partnership, sole proprietorship, or other business organization whose income is taxed under Minnesota Statutes, Chapter 290.

Sec. 3. [TAX CREDIT.] Any business firm which contributes goods, services, money or anything of value to a neighborhood organization for a program of community activities approved by the commissioner is eligible to receive a tax credit as provided in this section and section 4. The neighborhood organization shall submit a proposal to the commissioner describing the program to be provided, the community or neighborhood selected, the manner in which disadvantaged persons will participate in the decision making procedures of the neighborhood organization, and the estimated value of the contribution to the program. Program approval is effective for one taxable year only. If the commissioner approves a program he shall determine the amount of the contribution for which any business firm is eligible to receive a tax credit and shall certify that amount along with his approval to the commissioner of revenue.

Sec. 4. [AMOUNT OF CREDIT.] The commissioner of revenue shall allow a credit against the taxes imposed under chapter 290 in an amount which shall not exceed 25 percent of the total amount contributed during the taxable year by a business firm for a program approved pursuant to section 3. The amount of the contribution for which a business firm is eligible to receive a tax credit shall be certified to the commissioner of revenue by the commissioner of economic security. The maximum credit for contributions made in any taxable year shall not exceed \$100,000. If the amount of the tax credit exceeds the taxpayer's liability for taxes under chapter 290 in the taxable year in which the contribution was made, the excess may be carried forward for the five taxable years following the year in which the contribution was made. This section is effective for taxable year 1980 and for subsequent taxable years.

Sec. 5. [RULE MAKING.] The commissioner of economic security may adopt rules necessary for the administration of the neighborhood assistance tax credit program including criteria for approving or disapproving programs for which tax credits are available and for determining the amount of contributions to a program for which a business firm is eligible for a tax credit. Prior to the adoption of permanent rules the commissioner may exercise temporary rule making authority as provided in section 15.0412, subdivision 5, to implement the program. The commissioner shall solicit information and opinions from outside the department as provided in section 15.0412, subdivision 6, before adopting temporary or permanent rules. Notwithstanding the provisions of section 15.0412, subdivision 5, temporary rules adopted pursuant to this section shall be effective until permanent rules are adopted or until January 1, 1981, whichever occurs first.

Sec. 6. [DISALLOWANCE.] A taxpayer shall not receive the credit provided in section 290.21, subdivision 3, for those contributions for which he has received a tax credit pursuant to section 4.

Sec. 7. Sections 1 to 6 may be cited as the "Neighborhood Assistance Tax Credit Act of 1979."

Sec. 8. [APPROPRIATION.] The sum of \$50,000 is appropriated from the general fund to the department of economic security for implementation and administration of sections 1 to 7. This appropriation is available until June 30, 1981.

Sec. 9. [EFFECTIVE DATE.] This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, delete "or who engage in"

Page 1, delete line 5 and insert "primarily engaged in community activities designed to benefit economically disadvantaged persons;"

Page 1, line 8, delete ", office of economic opportunity" and insert "; appropriating money"

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

S. F. No. 2040: A bill for an act relating to the city of Campbell; authorizing issuance of general obligation bonds to finance construction of a community hall.

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. 2102: A bill for an act relating to the city of Melrose; authorizing the issuance of general obligation bonds for a fire hall and community center.

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. 2131: A bill for an act relating to local government; permitting local governmental bodies to set mileage allowances for officers and employees; amending Minnesota Statutes 1978, Section 471.665, Subdivision 3; and Minnesota Statutes, 1979 Supplement, Section 471.665, Subdivision 1.

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

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

S. F. No. 1581: A bill for an act relating to welfare; defining general assistance medical care; authorizing higher medical care payments for certain handicapped persons; establishing medical care assistance eligibility for persons with seasonal income; making various other changes in the general assistance program; amending Minnesota Statutes 1978, Sections 256D.01; 256D.02. Subdivisions 4, 10, 11, 12, and by adding a subdivision; 256D.03; 256D.04; 256D.05, Subdivision 1; 256D.06, Subdivision 1; 256D.07; 256D.08; 256D.09, Subdivision 1; 256D.11, Subdivisions 2, 3, 4, 5, 6, 7, 8 and 9; 256D.13, Subdivision 1; 256D.16; 256D.18. Subdivisions 2 and 4; repealing Minnesota Statutes 1978, Sections 256D.19; 256D.20; and 256D.21.

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 256D.01, is amended to read:

256D.01 [DECLARATION OF POLICY; CITATION.] Subdivision 1. The objectives of Laws 1973, Chapter 650, Article 21, Sections 1 to 30 sections 256D.01 to 256D.18 are to provide a sound administrative structure for public assistance programs; to maximize the use of federal funds for public assistance purposes; to provide property tax relief, and to provide an integrated public assistance program for all persons in the state without adequate income or resources to maintain a subsistence reasonably compatible with decency and health. *A principal objective in providing general assistance and services shall be to aid those persons who can be helped to become self-supporting or to attain self-care. The strengthening and preservation of the family unit shall also be a principal consideration in the administration of all general assistance policies.*

It is hereby declared to be the policy of this state that persons unable to provide for themselves and not otherwise provided for by law, and who meet the eligibility requirements of Laws 1973, Chapter 650, Article 21 sections 256D.01 to 256D.18 and do not refuse suitable employment, shall be entitled to receive such grants of general assistance and such services as may be necessary to maintain a subsistence reasonably compatible with decency and health. The furnishing of such assistance and services is a matter of public concern and a necessity in promoting the public health and welfare.

A principal objective in providing general assistance and services shall be to aid those persons who can be helped to become self-supporting or to attain self-care. To achieve this aim, the commissioner shall establish minimum standards of assistance for general assistance. The minimum standard for cash payments to recipients shall be: as to shelter and utilities, 100 percent of the actual need or state standards therefor, subject to the maximum established for shelter in the aid to the blind, aid to the disabled, and old age assistance programs in December 1973; and as to other budgetary items, 50 percent, of those established for said items in the aid to the blind, aid to the disabled, and old age assistance programs in December, 1973. In order to maximize the use of federal funds, the commissioner shall promulgate regulations, to the extent permitted by federal law for eligibility for the emergency assistance program, under the terms of Laws 1973, Chapter 650, Article 21 for general assistance. The commissioner shall provide by regulation for the eligibility for general assistance of persons with seasonal income, and may attribute seasonal income to other periods not in excess of one year from receipt by an applicant or recipient. The strengthening and preservation of the family unit shall be a principal consideration in the administration of Laws 1973, Chapter 650, Article 21 and all general assistance policies shall be formulated and administered so as to further this objective.

Subd. 2. Laws 1973, Chapter 650, Article 21, Sections 1 to 30

256D.01 to 256D.18 may be cited as the general assistance article act.

Sec. 2. Minnesota Statutes 1978, Section 256D.02, Subdivision 4, is amended to read:

Subd. 4. "General assistance" means cash payments to persons unable to provide themselves with a reasonable subsistence compatible with decency and health and who are not otherwise provided for under the laws of this state or the United States. It shall include cash payments for goods, shelter, fuel, food, clothing, light, necessary household supplies, and personal need items. General assistance shall not include payments for foster care, child welfare services, medical, dental, hospitalization, nursing care, drugs, or medical supplies. It is the intent of Laws 1973, Chapter 650, Article 21 that these items be provided by local agencies in accordance with programs in effect at the time of the passage of Laws 1973, Chapter 650, Article 21 or other social services. Vendor payments may be made only as provided for in sections 256D.09 and 256D.11.

Sec. 3. Minnesota Statutes 1978, Section 256D.02, is amended by adding a subdivision to read:

Subd. 4a. "General assistance medical care" means payment of all or part of the cost of medical care and services approved by the commissioner pursuant to section 256D.03, subdivision 3, for individuals whose income and resources are insufficient to meet the cost of care.

Sec. 4. Minnesota Statutes 1978, Section 256D.02, Subdivision 9, is amended to read:

Subd. 9. "Earned income" means remuneration for services performed as an employee, and net earnings from self-employment reduced by the amount attributable to employment expenses.

Sec. 5. Minnesota Statutes 1978, Section 256D.02, Subdivision 10, is amended to read:

Subd. 10. "Unearned income" means all other income including any payments received as an annuity, retirement or disability benefit, including veteran's or workers' compensation; old age, survivors and disability insurance; railroad retirement benefits; unemployment benefits; and benefits under any federally aided categorical assistance program, supplementary security income, or family other assistance program; rents, dividends, interest and royalties; and support and maintenance payments except that such payments may not be considered as available to meet the needs of any person other than the person for whose benefit they are received, unless that person is under a legal duty to support another family member.

Sec. 6. Minnesota Statutes 1978, Section 256D.02, Subdivision 11, is amended to read:

Subd. 11. "State aid" means state aid to local agencies for general assistance *and general assistance medical care* expenditures as provided for in ~~Laws 1973, Chapter 650, Article 21 section 256D.03, subdivisions 2 and 3.~~

Sec. 7. Minnesota Statutes 1978, Section 256D.02, Subdivision 12, is amended to read:

Subd. 12. "Local agency" means the *agency designated by the county board of commissioners, human services boards, county welfare boards* in the several counties of the state ~~except that it may also include any or multicounty welfare boards or departments where those have been established in accordance with law.~~

Sec. 8. Minnesota Statutes 1978, Section 256D.03, Subdivision 1, is amended to read:

256D.03 [RESPONSIBILITY TO PROVIDE GENERAL ASSISTANCE.] Subdivision 1. Every local agency shall provide general assistance to persons residing within its jurisdiction who meet the need requirements of ~~Laws 1973, Chapter 650, Article 21 sections 256D.01 to 256D.18.~~ General assistance shall be administered by the local agencies according to law and rules and regulations promulgated by the commissioner pursuant to the provisions of ~~Laws 1973, Chapter 650, Article 21 sections 15.041 to 15.052.~~

Sec. 9. Minnesota Statutes, 1979 Supplement, Section 256D.03, Subdivision 2, is amended to read:

Subd. 2. After December 31, 1979, and before January 1, 1981, state aid shall be paid to local agencies for 60 percent and, after December 31, 1980, for 70 percent of all general assistance grants up to the standards of ~~section 256D.01~~ 256D.05, subdivision 1, and according to procedures established by the commissioner. Any local agency may, from its own resources, make payments of general assistance at a standard higher than that established by the commissioner, ~~without reference to the standards of section 256D.01, subdivision 1.~~

Sec. 10. Minnesota Statutes 1978, Section 256D.03, Subdivision 3, is amended to read:

Subd. 3. State aid shall be paid to local agencies or counties for 90 percent of the cost of general ~~relief assistance~~ medical care paid by the local agency or county pursuant to ~~section 256D.02, subdivision 4~~ 3 on behalf of persons eligible according to standards established by the commissioner of public welfare in accordance with the rates established by rule of the commissioner. Persons eligible for benefits under sections 256D.01 to 256D.19 shall *be eligible for general assistance medical care and have free choice in the selection of a vendor of the medical care.* Any local agency or county may, from its own resources, make payments for medical care for persons not otherwise eligible for the care pursuant to standards established by the commissioner.

The commissioner of public welfare shall promulgate rules to establish administrative and fiscal procedures for payment of the

state share of the medical costs incurred by the counties under section 256D.02, subdivision 4 3. The rules may include:

(a) procedures by which state liability for the costs of medical care incurred pursuant to section 256D.02, subdivision 4 3 may be deducted from county liability to the state under any other public assistance program authorized by law;

(b) procedures for processing claims of counties for reimbursement by the state for expenditures for medical care made by the counties pursuant to section 256D.02, subdivision 4 3;

(c) procedures by which the local agencies may contract with the commissioner of public welfare for state administration of general relief *assistance medical care* payments; and

(d) standards of eligibility and, utilization of services and *payment levels which shall conform to those of medical assistance pursuant to chapter 256B.*

Sec. 11. Minnesota Statutes 1978, Section 256D.04, is amended to read:

256D.04 [DUTIES OF THE COMMISSIONER.] In addition to any other duties imposed by law, the commissioner shall:

(1) Supervise the administration of general assistance and *general assistance medical care* by local agencies as provided in *Laws 1973, Chapter 650, Article 21 sections 256D.01 to 256D.18;*

(2) Promulgate uniform rules and *regulations* consistent with law for carrying out and enforcing the provisions of *Laws 1973, Chapter 650, Article 21 sections 256D.01 to 256D.18* to the end that general assistance may be administered as uniformly as possible throughout the state; rules and *regulations* shall be furnished immediately to all local agencies and other interested persons; in promulgating rules and *regulations*, the provisions of *chapter 15 sections 15.041 to 15.052*, shall apply;

(3) Allocate moneys appropriated for general assistance and *general assistance medical care* to local agencies as provided in *Laws 1973, Chapter 650, Article 21 section 256D.03, subdivisions 2 and 3;*

(4) Accept and supervise the disbursement of any funds that may be provided by the federal government or from other sources for use in this state for general assistance and *general assistance medical care;*

(5) Cooperate with other agencies including any agency of the United States or of another state in all matters concerning the powers and duties of the commissioner under *Laws 1973, Chapter 650, Article 21 sections 256D.01 to 256D.18;*

(6) Cooperate to the fullest extent with other public agencies empowered by law to provide vocational training, rehabilitation, or similar services;

(7) Gather and study current information and report at least annually to the governor and legislature on the nature and need for general assistance and general assistance medical care, the amounts expended under the supervision of each local agency, and the activities of each local agency and publish such reports for the information of the public;

(8) Report at least annually to the governor and legislature the cost of living in the various counties and metropolitan areas as related to the standards of assistance and the amounts expended for assistance, and make this information available to the public; and

(9) Issue emergency rules necessary to implement the work equity program and promulgate all rules pursuant to chapter 15 necessary to carry out the program so that its demonstrational project may be administered uniformly throughout participating counties. Rules shall be furnished immediately to all local agencies and other interested persons.

Sec. 12. Minnesota Statutes 1978, Section 256D.05, Subdivision 1, is amended to read:

256D.05 [ELIGIBILITY FOR GENERAL ASSISTANCE.] Subdivision 1. [STANDARDS.] *The commissioner shall establish minimum standards of assistance for general assistance, and those minimum standards of assistance shall not be lower for an individual sharing a place of residence with another person unless that person is a responsible relative who is also eligible for general assistance. The minimum standards of assistance shall determine the total amount of the general assistance grant without separate standards for shelter, utilities or basic needs and shall not be less than the combined total of the minimum standards of assistance for shelter and basic needs in effect on July 1, 1980. The minimum standards may require higher payments for persons who are not able to accept suitable employment due to advanced age, a physical or mental impairment expected to continue for one or more months, or other determinable cause defined in rules promulgated by the commissioner. The minimum standards of assistance shall authorize the payment of rates negotiated by local agencies for recipients living in a room and board arrangement. In order to maximize the use of federal funds, the commissioner shall promulgate rules, to the extent permitted by federal law for eligibility for the emergency assistance program, under the terms of sections 256D.01 to 256D.18 for general assistance. The commissioner shall provide by rule for the eligibility for general assistance of persons with seasonal income, and may attribute seasonal income to other periods not in excess of one year from receipt by an applicant or recipient. Each person or family whose income and resources are less than the standard of assistance established by the commissioner shall be eligible for and entitled to general assistance; provided that no individual shall be eligible for general assistance if he is eligible for any of the following federally aided assistance programs: emergency assistance, aid to families with dependent children, or any successor to the above.*

Sec. 13. Minnesota Statutes 1978, Section 256D.06, Subdivision 1, is amended to read:

256D.06 [AMOUNT OF ASSISTANCE.] Subdivision 1. General assistance shall be granted in such an amount that when added to the nonexempt income actually available to the individual or family, the total amount equals the applicable standard of assistance established by the commissioner for general assistance. *In determining eligibility for and the amount of assistance the local agency shall disregard the first \$50 of earned income per month.*

Sec. 14. Minnesota Statutes 1978, Section 256D.06, Subdivision 2, is amended to read:

Subd. 2. Notwithstanding the provisions of subdivision 1, a grant of general assistance may ~~shall~~ be made to an eligible individual or family ~~for one or more items encompassed within the definition of general assistance for an emergency need, as defined in rules promulgated by the commissioner, where the applicant or recipient requests temporary assistance not exceeding 30 days and if an emergency situation appears to exist if and the individual is ineligible for the federally aided program of emergency assistance. If an applicant or recipient relates facts to the local agency which may be sufficient to constitute an emergency situation, the local agency shall advise the applicant or recipient of the procedure for applying for assistance pursuant to this subdivision.~~

Sec. 15. Minnesota Statutes 1978, Section 256D.06, is amended by adding a subdivision to read:

Subd. 3. *When a general assistance grant is used to pay a negotiated rate for a recipient living in a room and board or congregate care arrangement, the allowance for clothing and personal needs shall not be less than that authorized for a medical assistance recipient pursuant to section 256B.35.*

Sec. 16. Minnesota Statutes, 1979 Supplement, Section 256D.07, is amended to read:

256D.07 [TIME OF PAYMENT OF ASSISTANCE.] *Subdivision 1. An applicant for general assistance or general assistance medical care authorized by section 256D.03, subdivision 3 shall be deemed presumptively eligible if his application on its face demonstrates that he is within the eligibility criteria established by Laws 1973, Chapter 650, Article 24 sections 256D.05 and 256D.06 and any applicable rules and regulations of the commissioner. The application shall be in writing in the manner and upon the form prescribed by the commissioner and verified by the oath of the applicant or in lieu thereof shall contain the following declaration which shall be signed by the applicant: "I declare that this application has been examined by me and to the best of my knowledge and belief is a true and correct statement of every material point." General assistance shall be immediately granted to such presumptively eligible applicant without the necessity of first securing action by the board of the local agency.*

If upon verification and due investigation it appears that the

applicant provided false information and the false information materially affected his eligibility for general assistance or *general assistance* medical care provided pursuant to section 256D.03, subdivision 3 or the amount of his general assistance grant, the local agency may refer the matter to the county attorney. The county attorney may commence a criminal prosecution or a civil action for the recovery of any general assistance wrongfully received, or both.

Subd. 2. General assistance payments shall not be reduced on the basis of the availability of nonexempt earned income during the first month in which nonexempt earned income is available to a recipient.

Sec. 17. Minnesota Statutes, 1979 Supplement, Section 256D.08, Subdivision 1, is amended to read:

256D.08 [EXCLUSION FROM RESOURCES.] Subdivision 1. In determining eligibility of a family or individual there shall be excluded the following resources:

(1) *Real or personal property which does not exceed that permitted or liquid assets which do not exceed those permitted under the federally aided assistance program known as aid to families with dependent children; provided, however, that the commissioner may provide by rule and regulation more restrictive eligibility standards and levels of payment for general assistance if it is determined that funds available are not adequate to meet projected need; and*

(2) *Other property, including real or personal property used as a home, which has been determined, in accordance with and subject to limitations contained in rules and regulations promulgated by the commissioner, to be essential to the family or individual as a means of self-support or self-care or which is producing income that is being used for the support of the individual or family. The commissioner shall further provide by rule and regulation for those situations in which property not excluded under this subdivision may be retained by the family or individual where there is a reasonable probability that in the foreseeable future the property will be used for the self-support of the individual or family; and*

(3) *Payments, made pursuant to litigation and subsequent appropriation by the United States Congress, of funds to compensate members of Indian tribes for the taking of tribal land by the federal government.*

Sec. 18. Minnesota Statutes 1978, Section 256D.08, Subdivision 2, is amended to read:

Subd. 2. Notwithstanding any other provision of *Laws 1973, Chapter 650, Article 21 sections 256D.01 to 256D.18*, the commissioner shall provide by rule and regulation for the exclusion of property from the determination of eligibility for general assistance when it appears likely that the need for general assistance will not exceed 30 days and or an undue hardship would be im-

posed on an individual or family by the forced disposal of ~~such the~~ property.

Sec. 19. Minnesota Statutes 1978, Section 256D.09, Subdivision 1, is amended to read:

256D.09 [FORM OF PAYMENT; VENDOR PAYMENTS.] Subdivision 1. All grants of general assistance shall be paid in cash and with such frequency as the commissioner shall determine. The commissioner may provide by rule and regulation for the making of general assistance payments in different time periods for various reasonable classifications of recipients, *subsequent to the initial grant, shall be paid once per month on the first day of the month.*

Sec. 20. Minnesota Statutes 1978, Section 256D.10, is amended to read:

256D.10 [HEARINGS PRIOR TO REDUCTION; TERMINATION; SUSPENSION OF GENERAL ASSISTANCE GRANTS.] No grant of general assistance except one made pursuant to sections 256D.06, subdivision 2 or 256D.08, subdivision 2, shall be reduced, terminated or suspended unless the recipient receives notice and is afforded an opportunity to be heard prior to any action by the local agency.

Nothing herein shall deprive a recipient of his right to full administrative and judicial review of an order or determination of a local agency as provided for in section ~~256D.12~~ 256.045 subsequent to any action taken by a local agency after a prior hearing.

Sec. 21. Minnesota Statutes 1978, Section 256D.11, Subdivision 2, is amended to read:

Subd. 2. The local agency shall provide a general assistance opportunities for work program, training and vocational counseling services for persons who qualify for assistance but who are unable to gain suitable employment through the state employment service of the commissioner or through their own initiative. Local agencies shall adopt a list of work priorities to be met through the employment of eligible recipients when such recipients are determined, in accordance with rules promulgated by the commissioner, to be unable to gain suitable employment through the state employment service or through their own initiative. Upon a determination that a recipient is unable to gain suitable employment through the state employment service or through his own initiative, the local agency may assign the recipient such work or training program as he is able to perform but which is not that ordinarily performed and which would supplement but not replace projects which are ordinarily performed by regular employees of the county.

Sec. 22. Minnesota Statutes 1978, Section 256D.11, Subdivision 3, is amended to read:

Subd. 3. General assistance work program recipients assigned to a local agency work or training program shall be paid at the same wage rates as county employees doing similar work, and the num-

ber of hours of work assigned to a recipient shall be determined by the needs of himself and his family including expenses incidental to his employment.

Sec. 23. Minnesota Statutes 1978, Section 256D.11, Subdivision 4, is amended to read:

Subd. 4. The commissioner or a local agency may contract with the federal government, or with any department, agency, subdivision or instrumentality of the state, or with any nonprofit organization approved by the commissioner of public welfare for the services of general assistance work program recipients, training and vocational counseling services for participants on such terms and conditions as may be agreed upon, with or without consideration paid to the local agency. In a county where the work equity program is in operation, the commissioner shall have the sole authority to contract with the federal government and with any other state department, and no consideration shall be paid to the local agency, except for consideration attributable to additional administration expenses. The contract agreed upon by the commissioner shall provide for the necessary methods of funding work equity program jobs, which methods may include a transfer of state and local agency general assistance grant moneys directly to the governor's manpower office. The contract may provide that an intended recipient may receive a pay check equal to or greater than his designated amount of assistance instead of receiving his grant.

Sec. 24. Minnesota Statutes 1978, Section 256D.11, Subdivision 5, is amended to read:

Subd. 5. General assistance local agency work and training program recipients participants are employees of the local agencies within the meaning of workers' compensation laws, but not retirement or civil service laws.

Sec. 25. Minnesota Statutes 1978, Section 256D.11, Subdivision 6, is amended to read:

Subd. 6. No person shall be required to register with the commissioner of economic security if he is:

(1) A person with illness, incapacity, or advanced age;

(2) A child attending a school or college full time;

(3) A person whose presence in the home on a substantially continuous basis is required because of the illness or incapacity of another member of the household;

(4) A person who has been referred to or applied for a work training, work experience, vocational rehabilitation or other such similar employment related educational program; provided that the period of time such person is exempted from the registration requirements of subdivision 1, while awaiting acceptance into such program, does not exceed 30 60 days; or

(5) An adult member of a household with children in which

another adult is employed full time or has registered with the state employment service or been accepted in a work training program; or

(6) *A person exempted by the local agency.*

Sec. 26. Minnesota Statutes 1978, Section 256D.11, Subdivision 7, is amended to read:

Subd. 7. Any person who objects to being required to register with the commissioner of economic security shall be entitled to a prior hearing in accord with the provisions of section 256D.10 on the issue of whether such person comes within the exemptions contained in subdivision 6, ~~clause (1), (2), (3), or (4).~~

Sec. 27. Minnesota Statutes 1978, Section 256D.11, Subdivision 8, is amended to read:

Subd. 8. (1) Any *nonexempt* person who refuses to accept suitable employment, *vocational counseling or training* when offered him shall lose his eligibility for general assistance *for the period in which his refusal continues* and, if a member of a family receiving general assistance, that portion of the grant attributable to said person shall not be paid.

The commissioner may further provide by rule ~~and regulation~~ that vendor payments may be made with respect to any family in which a person who is obligated to accept suitable employment *and training* has refused to do so.

(2) The provisions of section 256D.10 providing for notice and opportunity to be heard prior to a decision to reduce, suspend or terminate benefits shall be applicable to determinations made under clause (1).

Sec. 28. Minnesota Statutes 1978, Section 256D.11, Subdivision 9, is amended to read:

Subd. 9. The commissioner *and the local agencies* shall establish procedures to insure that any recipient of general assistance desiring to improve his ability to support himself and his family shall be promptly referred to the department of economic security or any other agency, public or private, operating a work training, work experience, vocational rehabilitation or other similar program. *The commissioner of economic security shall assure that at least the same level of services and agency efforts are available to general assistance recipients as are available to unemployment compensation recipients who register for work pursuant to section 268.08, subdivision 1, clause (1).*

Sec. 29. Minnesota Statutes 1978, Section 256D.13, Subdivision 1, is amended to read:

256D.13 [MANDAMUS TO COMPEL PAYMENT OF GENERAL ASSISTANCE.] Subdivision 1. Notwithstanding the provisions of section ~~256D.12~~ 256.045 providing for administrative and judicial review of local agency determinations, a person denied general assistance by the local agency may apply to the

district court of the county in which his application was filed and the district court shall order the payment of general assistance if the person establishes:

(1) The substantial likelihood that he is eligible for and entitled to general assistance, and

(2) The person or family will suffer irreparable injury if general assistance is not granted without delay.

Sec. 30. Minnesota Statutes 1978, Section 256D.16, is amended to read:

256D.16 [GENERAL ASSISTANCE TO BE ALLOWED AS CLAIM IN PROBATE COURT.] On the death of any person who received any general assistance under Laws 1973, Chapter 650, Article 21 sections 256D.01 to 256D.18, or on the death of the survivor of a married couple, either or both of whom received general assistance, the total amount paid as general assistance to either or both, without interest, shall be allowed as a claim against the estate of such person or persons by the court having jurisdiction to probate the estate.

Sec. 31. Minnesota Statutes 1978, Section 256D.18, Subdivision 2, is amended to read:

Subd. 2. "County of financial responsibility" means (a) the county in which an individual resides; or (b) if an individual is a patient in a hospital or nursing home, as defined in sections 144.50, or 144A.01 or is placed in a county as a result of a correctional program or a treatment plan for health, rehabilitation, foster care, child care or training, at the time of making application, and immediately prior thereto resided in another county, then that other county; or (c) the above provisions notwithstanding, if an individual is a recipient of medical assistance, the county from which he is receiving medical assistance.

Sec. 32. Minnesota Statutes 1978, Section 256D.18, Subdivision 4, is amended to read:

Subd. 4. If upon investigation the local agency decides that the application was not filed in the county of financial responsibility as defined by this section, but that the applicant is otherwise eligible for assistance, it shall, while providing assistance to the applicant, transmit a copy of the application, together with the record of any investigation made by it and a copy of its decision, to the state agency, and to the agency of the county which it has decided is the county of financial responsibility. The state agency shall thereupon promptly decide any question of financial responsibility and make an order referring the application to the local agency of the proper county for further action, including reimbursement by such county of any assistance which another county has provided to the applicant in accordance with this subdivision. The state agency may make such investigation as it deems proper before making its decision. It shall prescribe rules and regulations for carrying into effect this subdivision. The order of the state

agency shall be binding upon the local agency involved and the applicant or recipient, shall be complied with by that agency unless reversed on appeal as provided in Laws 1973, Chapter 650, Article 24 section 256.045, and shall be so complied with pending any such appeal."

Further, delete the title and insert:

"A bill for an act relating to welfare; clarifying certain provisions of the general assistance medical care program; authorizing higher general assistance payments for persons determined to be unemployable; making various other changes in the general assistance program; amending Minnesota Statutes 1978, Sections 256D.01; 256D.02, Subdivisions 4, 9, 10, 11, 12, and by adding a subdivision; 256D.03, Subdivisions 1 and 3; 256D.04; 256D.05, Subdivision 1; 256D.06, Subdivisions 1 and 2, and by adding a subdivision; 256D.08, Subdivision 2; 256D.09, Subdivision 1; 256D.10; 256D.11, Subdivisions 2, 3, 4, 5, 6, 7, 8 and 9; 256D.13, Subdivision 1; 256D.16; and 256D.18, Subdivisions 2 and 4; and Minnesota Statutes, 1979 Supplement, Sections 256D.03, Subdivision 2; 256D.07; and 256D.08, Subdivision 1."

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

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

S. F. No. 1588: A bill for an act relating to insurance; providing for the operation of the Minnesota life and health insurance guaranty association; correcting certain oversights and ambiguities; making certain improvements; amending Minnesota Statutes 1978, Sections 61B.02, Subdivision 1; 61B.05, by adding a subdivision; 61B.07, Subdivisions 1, 2, 3 and 7; and 61B.15.

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

Page 2, line 23, delete "*shall have*" and insert "*has*"

Page 2, line 23, before "*exercise*" insert "*shall*"

Page 2, line 25, delete "*Any such*" and insert "*This*"

Page 2, line 27, delete "*shall be*" and insert "*is*"

Page 2, line 31, delete "*shall*"

Page 2, line 31, before "*exercise*" insert "*shall*"

Page 2, line 31, delete "*such*" and insert "*the*"

Page 2, line 32, delete "*may be*"

Page 3, line 1, delete "*might*" and insert "*may*"

Page 3, line 6, delete "*; and the*" and insert "*. This*"

Page 3, line 6, delete "*shall be*" and insert "*is*"

Page 3, line 8, delete "*such*" and insert "*an*"

Page 3, line 13, delete "*by means of*" and insert "*through*"

Page 3, line 16, delete "*shall constitute*" and insert "*constitutes*"

Page 3, line 23, strike "*such*" and insert "*the*" in both cases

Page 3, line 24, strike "*as*"

Page 6, line 9, before the period, insert "*including the power to purchase and maintain insurance on behalf of these persons as provided by section 300.082, subdivision 7*"

Page 6, line 12, before the period, insert "*and the term 'association' shall be substituted for the term 'corporation'*"

Page 6, after line 12, insert:

"Sec. 8. Assessments made under chapter 61B prior to the effective date of this act are not affected by this act."

Renumber the sections in sequence

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

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

S. F. No. 978: A bill for an act relating to banks and trust companies; allowing substitution of certain banks and trust companies in fiduciary capacities maintained by affiliated banks.

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

Page 2, line 16, after "*AFFILIATED*" insert "*OR OTHER*"

Page 2, line 19, after "*bank*" insert "*or other bank or trust company for which it seeks to be substituted*"

Page 2, line 22, after "*bank*" insert "*or other bank or trust company for which substitution is sought and which is*"

Page 2, line 23, after "*bank*" insert "*or other bank or trust company for which substitution is sought*"

Page 3, line 9, delete "*joining*" and insert "*or other bank or trust company for which substitution is sought and which joined*"

Page 4, lines 4 and 9, after "*bank*" insert "*or other bank or trust company*"

Page 4, line 8, after the first "*bank*" insert "*or other bank or trust company*"

Amend the title as follows:

Page 1, line 4, delete "*affiliated*" and insert "*certain*"

Page 1, line 5, after "*banks*" insert "*and trust companies*"

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

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

S. F. No. 1818: A bill for an act relating to occupations and professions; providing for licensing of public accountants; amending Minnesota Statutes, 1979 Supplement, Section 326.191.

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

Page 1, line 15, strike "January" and insert "July"

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

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

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

S. F. No. 1536: A bill for an act relating to banks; raising the amount of an employee loan possible without prior board approval; amending Minnesota Statutes 1978, Section 48.08.

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

Page 1, line 15, strike "servants" and insert "employees"

Page 1, line 19, after "authorized" insert "in advance"

Page 1, line 21, after "to" strike "an" and insert "a director, officer, or"

Page 1, line 22, delete "\$5,000" and insert "\$25,000"

Page 2, line 10, delete "1979" and insert "1980"

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

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

S. F. No. 1358: A bill for an act relating to insurance; clarifying provisions regarding acquisition of control of domestic insurers; changing the time period after which a hearing must be held under the insurance holding company systems act; changing the time period under which discovery must be completed for these hearings; eliminating an exemption from the insurance holding company systems act; amending Minnesota Statutes 1978, Section 60D.02, Subdivisions 4 and 6.

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

Page 2, line 6, strike "is such as"

Page 2, line 30, strike "such" and insert "any"

Page 3, line 3, strike "shall"

Page 3, line 4, strike "have" and insert "has"

Page 3, line 15, strike "shall" and insert "do"

Page 3, line 33, strike "such" and insert "a"

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

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

S. F. No. 1700: A bill for an act relating to insurance; regulating suicide provisions in life insurance contracts; amending Minnesota Statutes 1978, Chapter 61A, by adding a section.

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

Page 1, line 14, after the period, insert "*This section shall not be construed to substantively alter present law but is intended to clarify present law.*"

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

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

S. F. No. 1662: A bill for an act relating to intoxicating liquor; authorizing holders of off-sale licenses to dispense samples of wine; amending Minnesota Statutes 1978, Section 340.11, Subdivision 15.

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

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

S. F. No. 1493: A bill for an act relating to elections; providing an exception to the party list appointment requirements for election judges; allowing town officers to serve as election judges without being named on party lists; amending Minnesota Statutes 1978, Section 204A.17, Subdivision 5.

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

Page 1, line 17, delete everything after the period

Page 1, delete lines 18 to 23 and insert "*If the political parties do not provide an adequate number of names of qualified voters for appointment as election judges, the town board may appoint town officers as provided in this subdivision in addition to those judges appointed from the names provided by the political parties. The town officers may be appointed notwithstanding the party balance provision of section 204A.18, subdivision 1.*"

Page 2, delete line 1

Amend the title as follows:

Page 1, delete lines 3 to 5

Page 1, line 6, delete "lists" and insert "the party balance requirement for appointment of town officers as election judges when insufficient names are supplied by political parties for appointment as election judges"

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

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

S. F. No. 1579: A bill for an act relating to political parties; allowing party officers and delegates to party conventions to take certain leave time from employment; providing penalties; amending Minnesota Statutes 1978, Chapter 202A, by adding a section.

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

Page 1, line 14, delete "*for the purpose of attending*" and insert "*to attend*"

Page 1, line 15, delete "*party officers*" and insert "*state central committee or executive committee*"

Page 1, line 15, delete "*or of*"

Page 1, line 16, delete "*any of its sub-units,*" and delete "*an officer of that*"

Page 1, line 17, delete "*party or sub-unit*" and insert "*a member of the committee*"

Page 1, line 18, after "*delegates*" insert "*including meetings of official convention committees*"

Page 1, line 18, after "*delegate*" insert "*or alternate delegate*"

Amend the title as follows:

Page 1, line 2, after "*allowing*" insert "*members of political*"

Page 1, line 3, delete "*officers*" and insert "*committees*"

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

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

S. F. No. 2122: A bill for an act relating to elections; authorizing time off from work for election judges; amending Minnesota Statutes 1978, Section 204A.18, by adding a subdivision.

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

Page 1, line 8, delete "204A.18" and insert "204A.17"

Page 1, line 10, delete "5" and insert "6"

Page 1, line 12, after "to" insert "this"

Page 1, line 12, delete "204A.17, subdivision 1"

Page 1, line 18, after the period, insert "*This subdivision applies only to employers with four or more employees.*"

Page 1, after line 18, insert:

"Sec. 2. [EFFECTIVE DATE.] *This act is effective the day following final enactment.*"

Amend the title as follows:

Page 1, line 4, delete "204A.18" and insert "204A.17"

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

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

S. F. No. 1188: A bill for an act relating to insurance; providing that an employer group disability income policy provide coverage for pre-termination claims.

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

Page 1, line 9, delete "shall"

Page 2 after line 3, insert:

"Sections 1 and 2 may be superseded by a rule promulgated by the commissioner of insurance."

Page 2, line 5, delete "1979" and insert "1980"

Page 2, line 6, delete "1979" and insert "1980"

Page 2, line 8, delete "1980" and insert "1981"

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

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

S. F. No. 1889: A bill for an act relating to intoxicating liquor; authorizing the use of wine catalogs by off-sale dealers; amending Minnesota Statutes 1978, Section 340.15, Subdivision 1.

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

Page 1, line 18, delete "50" and insert "25"

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

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

S. F. No. 1187: A bill for an act relating to insurance; providing for continuation of waiver of premium benefits for the disabled, regardless of continuation of the master policy; amending Minnesota Statutes 1978, Section 61A.091.

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

Page 2, lines 10, 12 and 15, strike "shall" and insert "does"

Page 2, line 26, delete "total"

Page 2, line 28, after the period, insert "*This subdivision may be superseded by a rule promulgated by the commissioner of insurance.*"

Page 2, line 29, delete "shall become effective" and insert "applies to"

Page 2, line 30, delete "For"

Page 2, line 30, after "delivered" insert "on or"

Page 2, line 31, delete "1979" and insert "1980"

Page 2, line 32, delete "For"

Page 2, line 32, delete "annual"

Page 2, line 33, after "the" insert "first"

Page 2, line 33, delete everything after "date" and insert "after October 1, 1980;"

Page 3, delete lines 1 and 2

Page 3, line 3, delete "For"

Page 3, line 3, delete "annual"

Page 3, line 4, delete "1980" and insert "1981"

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

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

S. F. No. 1773: A bill for an act relating to intoxicating liquor; authorizing the production and sale of table or sparkling wines produced by a Minnesota farm winery; providing for the taxation thereof.

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

Page 1, line 10, delete "located upon" and insert "operated by the owner of"

Page 1, line 14, after "beverage" insert "made without rectification or fortification and"

Page 1, line 17, delete ", without rectification or fortification"

Page 2, line 14, delete "act" and insert "section"

Page 2, after line 17, insert:

"Subd. 5. If Minnesota produced or grown grapes, grape juice, other fruit bases or honey is not available in quantities sufficient to constitute a majority of the table or sparkling wine produced by a farm winery, the holder of the farm winery license may file an affidavit stating this fact with the commissioner of public safety. If the commissioner determines, after consultation with the commissioner of agriculture, this to be true, the farm winery may use imported products and shall continue to be governed by the provisions of this section and section 2. The affidavit is effective for a period of one year, after which time the farm winery shall use the required amount of Minnesota products as provided by subdivision 1 unless the farm winery holder files a new affidavit with the commissioner."

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

S. F. No. 1706: A bill for an act establishing the Minnesota small business conference; providing for its organization, meetings and procedures; appropriating money.

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

Delete everything after the enacting clause and insert:

"Section 1. The commission on the Minnesota conference on small business is established. The commission shall consist of nine commissioners all of whom shall be small business persons. Three shall be appointed by the governor, three by the speaker of the house of representatives, and three by the committee on rules and administration of the senate. The honorary chairperson of the commission shall be a person who served as a commissioner of the 1980 White House conference on small business. The commission shall meet from time to time to discharge the duties imposed by this act. Compensation, removal and filling of vacancies shall be as provided in section 15.059. The commission shall expire March 31, 1981.

Sec. 2. The commission shall establish procedures for and shall hold regional meetings of small business persons to study small business and elect delegates to a statewide conference. The delegates shall represent small business in all parts of the state. All delegates to the 1980 White House conference shall also be ex officio voting delegates to the Minnesota conference. The gover-

nor shall appoint that number of additional voting delegates representing environmental, consumer and labor organizations which the commission deems adequate to provide meaningful participation to those organizations. The number of delegates appointed under the preceding sentence shall not be a majority of all delegates to the conference.

Sec. 3. The commission shall hold a statewide conference of delegates to discuss the development of small business and its opportunities and needs in the state. The conference shall be held in January 1981 and be conducted according to procedures established by the commission. The commission shall use information developed by the White House conference and seek the assistance of the United States Small Business Administration whenever appropriate.

Sec. 4. The commission shall report the proposals for action adopted by the conference to help the development of small business to the legislature and governor by March 1, 1981.

Sec. 5. The commission may accept gifts and grants made to it and shall apply them to the purposes of this act.

Sec. 6. [APPROPRIATION.] The sum of \$100,000 is appropriated from the general fund to the commission on the Minnesota conference on small business to accomplish the purposes of this act. This appropriation is available until March 31, 1981.

Sec. 7. [EFFECTIVE DATE.] This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 2, after "establishing" insert "the commission on"

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

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

S. F. No. 1937: A bill for an act relating to drivers licenses; authorizing instruction permit holders to operate a motor vehicle while receiving behind the wheel training when accompanied by licensed adults; amending Minnesota Statutes 1978, Section 171.05, Subdivision 2.

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

Page 1, line 23, reinstate "parent or guardian" and after "guardian" insert "*or licensed*"

Page 1, line 23, after "*driver*" insert "*authorized by the parent or guardian*"

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

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

S. F. No. 2120: A bill for an act appropriating money for restoration projects and educational programs at Murphy's Landing in Scott County.

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

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

S. F. No. 1810: A bill for an act relating to motor vehicles; registration and taxation; exempting certain tax exempt vehicles from special markings; amending Minnesota Statutes 1978, Section 168.012, Subdivision 1.

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

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

S. F. No. 1798: A bill for an act relating to the military; extending indefinitely the duration of the authority of the adjutant general to acquire lands for military training from funds available in the military land fund; repealing certain obsolete provisions relating to the military land fund; amending Minnesota Statutes 1978, Sections 190.25; 190.26, Subdivision 1; 190.29; 190.30, Subdivisions 1, 5 and 6; and repealing Minnesota Statutes 1978, Sections 190.26, Subdivisions 2 and 3; and 190.27.

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

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

S. F. No. 1797: A bill for an act relating to the Minnesota zoological garden; supplementing and clarifying the authority of the zoological garden board in regard to penalties for rule violations; regulating the use of the name or mark of the garden; providing penalties; amending Minnesota Statutes 1978, Section 85A.02, Subdivision 7; and Chapter 333, by adding sections.

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

Page 1, line 19, strike "A" and insert "The"

Page 1, line 19, strike "any" and insert "a"

Page 1, line 21, delete ", unless" and insert a period

Page 1, line 21, delete "shall" and insert "may"

Page 1, line 21, after "that" delete "the"

Page 1, line 22, delete "*penalty for*"

Page 1, line 22, after "*be*" insert "*sufficient cause for*"

Page 2, line 4, delete "*except as*" and insert "*not*"

Page 2, line 5, delete "*shall*"

Page 2, line 7, delete "*assume*" and insert "*assumes*"

Page 2, line 7, delete "*adopt*" and insert "*adopts*"

Page 2, line 7, delete "*use in any manner*" and insert "*uses*"

Page 2, line 8, delete "*or*" and insert a comma

Page 2, line 11, after "*deceive*" insert "*or mislead*"

Page 2, line 13, delete "*shall,*"

Page 2, line 15, delete "*assume*" and insert "*assumes*"

Page 2, line 15, delete "*adopt*" and insert "*adopts*"

Page 2, line 15, delete "*use in*" and insert "*uses*"

Page 2, line 16, delete "*any manner*"

Page 2, line 22, after "*deceive*" insert "*or mislead*"

Page 2, line 29, after "*jurisdiction*" delete "*to*"

Page 2, delete line 30

Page 2, line 31, delete "*less than five days, for an injunction*"

Page 3, line 12, delete "*an injunction may be issued by*"

Page 3, line 12, after "*court*" insert "*may*"

Page 3, line 12, delete "*enjoining*" and insert "*enjoin*"

Page 3, line 13, delete "*restraining*" and insert "*restrain*"

Page 3, delete lines 16 through 21

Renumber the sections in sequence

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. 874: A bill for an act relating to state government; changing certain administrative procedures; amending Minnesota Statutes 1978, Sections 3.965; 15.0412, Subdivisions 2, 4, 5, and by adding subdivisions; 15.0413, Subdivisions 1 and 2; 15.0418; 15.0419, Subdivisions 1, 2 and 4; 15.0422; 15.0424, Subdivisions 1, 2 and 6; 15.0425; 15.0426; 15.052, Subdivisions 1, 2, 4, 5, 7, 8 and 9; repealing Minnesota Statutes 1978, Sections 5.21, and 15.0423.

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 3.965, is amended to read:

3.965 [LEGISLATIVE COMMISSION TO REVIEW ADMINISTRATIVE RULES.] Subdivision 1. [COMPOSITION; MEETINGS.] A legislative commission for review of administrative rules defined pursuant to section 15.0411 to 15.0422, consisting of five senators appointed by the committee on committees of the senate and five representatives appointed by the speaker of the house of representatives shall be appointed. The commission shall meet at the call of its chairman or upon a call signed by two of its members or signed by five members of the legislature. The legislative commission chairmanship shall alternate between the two houses of the legislature every two years.

Subd. 2. [REVIEW OF RULES BY COMMISSION.] The commission shall promote adequate and proper rules by agencies and an understanding upon the part of the public respecting them. *The jurisdiction of the commission shall include all rules as defined in section 15.0411, subdivision 3 and all rules promulgated by agencies specified in section 15.0411, subdivision 2, clauses (c) through (i).* It may hold public hearings to investigate complaints with respect to rules if it considers the complaints meritorious and worthy of attention and may, on the basis of the testimony received at the public hearings, suspend any rule complained of by the affirmative vote of at least six members provided the provisions of subdivision 4 have been met. If any rule is suspended, the commission shall as soon as possible place before the legislature, at the next year's session, a bill to repeal the suspended rule. If the bill is defeated, or fails of enactment in that year's session, the rule shall stand and the commission may not suspend it again. If the bill becomes law, the rule is repealed and shall not be enacted again unless a law specifically authorizes the adoption of that rule. The commission shall make a biennial report to the legislature and governor of its activities and include therein its recommendations.

Subd. 3. [PUBLIC HEARINGS BY STATE AGENCIES.] By a vote of a majority of its members, the commission may request any ~~department~~ *agency* issuing rules to hold a public hearing in respect to recommendations made pursuant to subdivision 2 *including recommendations made by the commission to promote adequate and proper rules by that agency and recommendations contained in the commission's biennial report.* The ~~department~~ *agency* shall give notice as provided in section 15.0412, subdivision 4 of a hearing thereon, to be conducted in accordance with section 15.0412. The hearing shall be held not more than 60 days after receipt of the request.

Subd. 4. [REVIEW BY STANDING COMMITTEES.] Before the commission suspends any rule, it shall request the speaker of the house and the president of the senate to refer the question of suspension of the given rule or rules to the appropriate committee

or committees of the respective houses for the committees' ~~recommendation~~ recommendations. No suspension shall take effect until the ~~recommendation~~ is committees' recommendations are received, or 60 days after referral of the question of suspension to the speaker of the house and the president of the senate. However, the ~~recommendation~~ recommendations shall be advisory only.

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 15.0411, Subdivision 2, is amended to read:

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

Sec. 3. Minnesota Statutes 1978, Section 15.0412, is amended by adding a subdivision to read:

Subd. 1a. Unless otherwise provided by law, an agency may grant a variance to a rule. Before an agency grants a variance, it shall have promulgated rules setting forth procedures and standards by which variances shall be granted and denied. An agency receiving a request for a variance shall set forth in writing its reasons for granting or denying the variance. This subdivision shall not constitute authority for an agency to grant variances to statutory standards.

Sec. 4. Minnesota Statutes 1978, Section 15.0412, Subdivision 2, is amended to read:

Subd. 2. To assist interested persons dealing with it, each agency shall, in a manner prescribed by the commissioner of administration, prepare a description of its organization, stating the process whereby the public may obtain information or make submissions or requests. The commissioner of administration shall annually publish these descriptions at least in every odd-numbered year commencing in 1981 in a guidebook of state agencies. Notice of the publication of the guidebook shall be published in the state register.

Sec. 5. Minnesota Statutes 1978, Section 15.0412, is amended by adding a subdivision to read:

Subd. 2a. The revisor of statutes may, upon request, provide technical and legal assistance to state agencies in drafting rules.

Sec. 6. Minnesota Statutes 1978, Section 15.0412, Subdivision 4, is amended to read:

Subd. 4. No rule shall be adopted by any agency unless the agency first holds a public hearing thereon, affording all affected interests an opportunity to participate, and gives notice of its intention to hold such a hearing at least 30 days prior to the date set for the hearing by United States mail, to representatives of associations or other interested groups or persons who have registered their names with the secretary of state for that purpose and in the state register. Each agency shall maintain a list of all persons who have registered with the agency for the purpose of receiving notice of rule hearings. The agency may inquire as to whether those persons on the list wish to maintain their names thereon and may remove names for which there is a negative reply or no reply within 60 days. The agency shall, at least 30 days prior to the date set for the hearing, give notice of its intentions to hold a hearing by United States mail to all persons on its list, and by publication in the state register. Each agency may, at its own discretion, also contact persons not on its list and may give notice of its intention to hold a hearing in newsletters, newspapers or other publications or through other means of communication. The notice in the state register shall include the full text of the rule proposed for adoption; ~~provided that, and whatever portion of existing rules is necessary to provide adequate notice of the nature of the proposed action. When an entire rule is proposed to be repealed or renumbered, the agency need only publish that fact.~~ giving the exact citation to the rule to be repealed or renumbered in the notice.

Subd. 4a. With the approval of the chief hearing examiner, the agency may incorporate by reference provisions of federal law or rule or other materials from sources which the chief hearing examiner determines are conveniently available for viewing, copying and acquisition by interested persons. The chief hearing examiner shall not approve incorporation by reference of federal law or rule or other materials which are less than 3000 words in length or which would require less than five pages of publication in the state register.

Subd. 4b. The agency shall make available at least one free copy of the proposed rule to any person requesting it. The free copy shall contain the exact wording and form of the proposed rule and notice of hearing as published in the state register and shall be available to the public at least 30 days prior to the date set for the hearing.

Subd. 4c. At the public hearing the agency shall make an affirmative presentation of facts establishing the need for and reasonableness of the rule proposed for adoption and fulfilling any rele-

vant substantive or procedural requirements imposed on the agency by law or rule. *The agency may, in addition to its affirmative presentation, rely upon facts presented by others on the record during the rule proceeding to support the rule finally adopted.*

Subd. 4d. After allowing written material to be submitted and recorded in the hearing record for five working days after the public hearing ends, or for a longer period not to exceed 20 days if ordered by the hearing examiner, the hearing examiner assigned to the hearing shall proceed to write a report as provided for in section 15.052, subdivision 3, which . If the report contains a finding that the proposed rule is substantially different from that which was proposed at the public hearing, or that the agency has not met the requirements of section 15.0412, subdivisions 4 through 4f, it shall be submitted to the chief hearing examiner for approval. If the chief hearing examiner approves the finding of the hearing examiner, he shall advise the agency of actions which will correct the defects, and the agency shall not adopt the rule until the chief hearing examiner determines that the defects have been corrected. If the chief hearing examiner determines that the need for and reasonableness of the rule has not been established pursuant to subdivision 4, clause (c), and if the agency does not elect to follow the suggested actions of the hearing examiner to correct that defect, then the agency shall submit the proposed rule to the legislative commission to review administrative rules for the commission's advice and comment. The agency shall not proceed to adopt the rule until it has received and considered the advice of the commission; provided, that the agency is not required to delay adoption longer than 30 days after the commission's receipt of the agency's submission. Advice of the commission shall not be binding on the agency. The report shall be completed within 30 days after the close of the hearing record unless the chief hearing examiner, upon written request of the agency and or the hearing examiner, orders an extension. In no case shall an extension be granted if the chief hearing examiner determines that an extension would prohibit a rule from being adopted or becoming effective until after a date for adoption or effectiveness as required by statute. The report shall be available to all affected persons upon request for at least five working days before the agency takes any final action on the rule.

Subd. 4e. If the agency adopts the rule as recommended by the hearing examiner, it shall be submitted with the complete hearing record to the attorney general, who shall review the rule as to form and legality. If the chief hearing examiner determines that the proposed final rule of the agency is substantially different from that which was proposed at the public hearing, he shall advise the agency of actions which will correct the defects, and the agency shall not adopt the rule until the chief hearing examiner determines that the defects have been corrected. If the agency, the chief hearing examiner or the attorney general requests, the hearing examiner shall cause a transcript to be prepared of the hearing. The agency shall give notice to all persons who requested to be

informed that the hearing record has been submitted to the attorney general. *This notice shall be given on the same day that the record is submitted.* The attorney general shall, within 20 days, either approve or disapprove the rule. If he approves the rule, he shall promptly file it in the office of the secretary of state. If he disapproves the rule, he shall state in writing his reasons therefor, and the rule shall not be filed in the office of the secretary, nor published.

Subd. 4f. A rule shall become effective after it has been subjected to all requirements described in this subdivision subdivisions 4 through 4f and five working days after publication in the state register, as hereinafter provided, unless a later date is required by statutes or specified in the rule. If the rule as adopted does not differ from the proposed rule as published in the state register, publication may be made by publishing notice in the state register that the rule has been adopted as proposed and by publishing a citation to the prior publication. If the rule as adopted differs from the proposed rule, the adopted rule or subdivisions thereof which differ from the proposed rule shall be published together with a citation to the prior state register publication of the remainder of the proposed rule.

Sec. 7. Minnesota Statutes 1978, Section 15.0412, is amended by adding a subdivision to read:

Subd. 4q. When an agency determines that its proposed adoption, amendment, suspension or repeal of a rule will be noncontroversial in nature, it may utilize the provisions herein in lieu of the provisions of subdivisions 4 through 4f. The agency shall publish a notice of its intent to adopt the rule without public hearing, together with the proposed rule, in the state register, and shall give the same notice by United States mail to persons who have registered their names with the agency pursuant to subdivision 4. When an entire rule is proposed to be repealed or renumbered, the agency need only publish that fact, giving the exact citation to the rule to be repealed or renumbered in the notice. The notice shall include a statement advising the public:

(1) that they have 30 days in which to submit comment on the proposed rule;

(2) that no public hearing will be held unless seven or more persons make a written request for a hearing within the 30 day comment period;

(3) of the manner in which persons shall request a hearing on rules proposed pursuant to this subdivision; and

(4) that the rule may be modified if modifications are supported by the data and views submitted.

Before the date of the notice, the agency shall prepare a statement of need and reasonableness which shall be available to the public. For at least 30 days following the notice, the agency shall afford all interested persons an opportunity to object to the lack of a hearing and to submit data and views on the proposed rule in

writing. The proposed rule may be modified if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change. If, during the 30 day period allowed for comment, seven or more persons submit to the agency a written request for a hearing of the proposed rule, the agency shall proceed under the provisions of subdivisions 4 through 4f. In the event that a hearing is required, a citation in the state register to the prior publication of the proposed rule may be substituted for republication unless the agency has modified the proposed rule. If no hearing is required, the agency shall submit to the attorney general the proposed rule and notice as published, the rule as proposed for adoption, any written comments received by the agency, and a statement of need and reasonableness for the rule. The agency shall give notice to all persons who requested to be informed that these materials have been submitted to the attorney general. This notice shall be given on the same day that the record is submitted. The attorney general shall approve or disapprove the rule as to form and legality, including the issue of substantial change, within 14 days. If he approves the rule, he shall promptly file it in the office of the secretary of state. If he disapproves the rule, he shall state in writing his reasons therefor, and the rule shall not be filed in the office of the secretary of state, nor published. The rule shall become effective upon publication in the state register in the same manner as provided for adopted rules in subdivision 4f.

Sec. 8. For purposes of implementing section 15.0412, subdivision 4, the attorney general shall prepare a notice which shall be published by the state register on or before August 4, 1980, which notice shall be mailed, by the office of hearing examiners, to all persons presently registered with the secretary of state for the purpose of being advised of rulemaking hearings. The notice shall be sufficiently specific to inform all persons of the manner in which they may register their names with the various state agencies in order to be notified of all rulemaking hearings.

Sec. 9. Minnesota Statutes 1978, Section 15.0412, Subdivision 5, is amended to read:

Subd. 5. When an agency is directed or authorized by statute, federal law or court order to adopt, amend, suspend or repeal a rule in a manner that does not allow for compliance with subdivisions 4 through 4g, or if an agency is expressly required or authorized by statute to adopt temporary rules, the agency shall promulgate a adopt temporary rule rules in accordance with this subdivision. The proposed temporary rule shall be published in the state register and for at least 20 days thereafter the agency shall afford all interested persons an opportunity to submit data and views on the proposed temporary rule in writing. The proposed temporary rule may be modified if the modifications are supported by the data and views submitted to the agency. The agency shall submit to the attorney general the proposed temporary rule as shall review the proposed temporary rule as to form and legality and shall approve or disapprove the proposed temporary rule and published, with any proposed modifications. The attorney general

any proposed modifications within five working days. The temporary rule shall take effect upon approval of the attorney general. Failure of the attorney general to approve or disapprove within five working days shall be deemed approval. As soon as practicable notice of the attorney general's decision shall be published in the state register and the adopted rule shall be published in the manner as provided for adopted rules in subdivision 4. Temporary rules adopted under this subdivision shall be effective for not longer than 90 days and may be reissued or continued in effect for an additional 90 days, but may not immediately be reissued thereafter without following the procedure of ~~subdivision 4~~ subdivisions 4 through 4g.

Sec. 10. Minnesota Statutes 1978, Section 15.0412, is amended by adding a subdivision to read:

Subd. 8. Each agency shall, within six months after the effective date of a law requiring rules to be promulgated, unless otherwise specified by law, publish notice of hearing or notice of intent to adopt a rule without public hearing in accordance with this section. If an agency has not given this notice, it shall report to the appropriate committees of the legislature and the governor its failure to do so, and the reasons for that failure.

Sec. 11. Minnesota Statutes 1978, Section 15.0412, is amended by adding a subdivision to read:

Subd. 9. The agency shall, within six months after issuance of the hearing examiner's report, either withdraw the proposed rules or publish its adopted final action in the state register. If the agency has not published its adopted final action in the state register within six months, it shall not proceed to adopt the subject rules without rehearing the rules pursuant to all the procedures of this section, and it shall report to the appropriate committees of the legislature and to the governor its failure to adopt rules and the reasons for that failure.

Sec. 12. Minnesota Statutes 1978, Section 15.0413, Subdivision 1, is amended to read:

15.0413 [EFFECT OF ADOPTION OF RULES; PUBLICATION; APPROPRIATION.] Subdivision 1. Every rule approved by the attorney general and filed in the office of the secretary of state as provided in section 15.0412 shall have the force and effect of law 20 five working days after its publication in the state register unless a later date is required by statute or specified in the rule. The secretary of state shall keep a permanent record of rules filed with that office open to public inspection. *Should a discrepancy exist between the rules published in the state register and the rules on file with the secretary of state, the rules on file with the secretary of state shall have effect.*

Sec. 13. Minnesota Statutes 1978, Section 15.0413, Subdivision 2, is amended to read:

Subd. 2. Each rule hereafter amended, suspended, or repealed shall become amended, suspended, or repealed 20 five working

days after the new or amended rule or notice of suspension or repeal is published in the state register unless a later date is required by statute or specified in the rule.

Sec. 14. Minnesota Statutes 1978, Section 15.0418, is amended to read:

15.0418 [CONTESTED CASE.] *Subdivision 1. An agency shall initiate a contested case proceeding when one is required by law. Unless otherwise provided by law, an agency shall decide a contested case only in accordance with the contested case procedures of the administrative procedure act.*

Subd. 2. [NOTICE AND HEARING.] In any contested case all parties shall be afforded an opportunity for hearing after reasonable notice. The notice shall state the time, place and issues involved, but if, by reason of the nature of the proceeding case, the issues cannot be fully stated in advance of the hearing, or if subsequent amendment of the issues is necessary, they shall be fully stated as soon as practicable, and opportunity shall be afforded all parties to present evidence and argument with respect thereto. Prior to assignment of a case to a hearing examiner as provided by section 15.052, all papers shall be filed with the agency. Subsequent to assignment of the case, the agency shall certify the official record to the office of hearing examiners administrative hearings, and thereafter, all papers shall be filed with that office. The office of hearing examiners administrative hearings shall maintain the official record which shall include subsequent filings, testimony and exhibits. All filings are deemed effective upon receipt. The record shall contain a written transcript of the hearing only if preparation of a transcript is requested by the agency, a party, or the chief hearing examiner. The agency or party requesting a transcript shall bear the cost of preparation. When the chief hearing examiner requests preparation of the transcript, the agency shall bear the cost of preparation. Upon issuance of the hearing examiner's report, the official record shall be certified to the agency.

Subd. 3. [INFORMAL DISPOSITION.] Informal disposition may also be made of any contested case by stipulation, agreed settlement, consent order or default.

Sec. 15. Minnesota Statutes 1978, Section 15.0419, Subdivision 1, is amended to read:

15.0419 [EVIDENCE IN CONTESTED CASE HEARINGS.] *Subdivision 1. In contested cases agencies may admit and give probative effect to evidence which possesses probative value commonly accepted by reasonable prudent men persons in the conduct of their affairs. They shall give effect to the rules of privilege recognized by law. They may exclude incompetent, irrelevant, immaterial and repetitious evidence.*

Sec. 16. Minnesota Statutes 1978, Section 15.0419, Subdivision 2, is amended to read:

Subd. 2. All evidence, including records and documents ~~(except tax returns and tax reports)~~ containing information classified by law as not public, in the possession of the agency of which it desires to avail itself or which is offered into evidence by a party to a contested case proceeding, shall be offered and made a part of the hearing record in of the case; and. No other factual information or evidence ~~(except tax returns and tax reports)~~ shall be considered in the determination of the case unless it is part of the record. Documentary evidence may be received in the form of copies or excerpts, or by incorporation by reference. When the hearing record contains information which is not public, the hearing examiner or the agency may conduct a closed hearing to discuss the information, issue necessary protective orders, and seal all or part of the hearing record.

Sec. 17. Minnesota Statutes 1978, Section 15.0419, Subdivision 4, is amended to read:

Subd. 4. Agencies may take notice of judicially cognizable facts and in addition may take notice of general, technical, or scientific facts within their specialized knowledge. Parties shall be notified in writing either before or during hearing, or by reference in preliminary reports or otherwise, or by oral statement in the record, of the material so noticed, and they shall be afforded an opportunity to contest the facts so noticed. Agencies may utilize their experience, technical competence, and specialized knowledge in the evaluation of the evidence presented to them in the hearing record.

Sec. 18. Minnesota Statutes 1978, Section 15.0422, is amended to read:

15.0422 [DECISIONS, ORDERS.] *Subdivision 1.* Every decision and order adverse to a party of the proceeding, rendered by an agency in a contested case, shall be in writing or stated in the record and shall be accompanied by a statement of the reasons therefor. The statement of reasons shall consist of a concise statement of the conclusions upon each contested issue of fact necessary to the decision. Parties to the proceeding shall be notified of the decision and order in person or by mail. shall be based on the record and shall include the agency's findings of fact and conclusions on all material issues. A copy of the decision and order and accompanying statement of reasons together with a certificate of service shall be delivered or mailed upon request to served upon each party or to his attorney of record his representative and the hearing examiner by first class mail.

Subd. 2. Unless otherwise provided by law, if an agency fails to render a decision and order in a contested case within 90 days after the submission of the final hearing examiner report and subsequent exceptions and arguments under section 15.0421 if any, any party may petition the district court for an order requiring the agency to render a decision and order on the contested case within such time as the court determines to be appropriate.

The order shall be issued unless the agency shows that further delay is reasonable.

Sec. 19. Minnesota Statutes 1978, Section 15.0424, Subdivision 1, is amended to read:

15.0424 [JUDICIAL REVIEW OF A CONTESTED CASE DECISION.] Subdivision 1. [APPLICATION.] Any person aggrieved by a final decision in a contested case of any agency as defined in section 15.0411, subdivision 2 (including those agencies excluded from the definition of "agency" in section 15.0411, subdivision 2, but excepting the tax court, the workers' compensation court of appeals sitting on workers' compensation cases, the department of economic security, the director of mediation services, and the department of public service), whether such decision is affirmative or negative in form, is entitled to judicial review thereof, *of the decision under the provisions of this section*, but nothing in this section shall be deemed to prevent resort to other means of review, redress, relief, or trial de novo provided by law now or hereafter enacted. The term "final decision" as herein used shall not embrace a proposed or tentative decision until it has become the decision of the agency either by express approval or by the failure of an aggrieved person to file exceptions thereto within a prescribed time under the agency's rules. *A petition by an aggrieved person for judicial review under this section must be filed with the district court and served on the agency not more than 30 days after the party receives the final decision and order of the agency.*

Sec. 20. Minnesota Statutes 1978, Section 15.0424, Subdivision 2, is amended to read:

Subd. 2. [PETITION, SERVICE.] (a) Proceedings for review *under this section* shall be instituted by serving a petition thereof personally or by certified mail upon the agency or one of its members or upon its secretary or clerk and by filing such the petition in the office of the clerk of district court for the county wherein *where* the agency has its principal office or the county of residence of the petitioners, all within 30 days after the agency shall have served such decision and any order made pursuant thereto by mail on the parties of record therein; subject, however, to the following:

(1) In the case of a tentative or proposed decision which has become the decision of the agency either by express approval or by a failure by an aggrieved person to file exceptions within a prescribed time under the agency's rules, such 30-day period shall not begin to run until the latest of the following events shall have occurred; (a) such decision shall have become the decision of the agency as aforesaid; (b) such decision, either before or after it has become the decision of the agency, shall have been served by mail by such agency on the parties of record in such proceeding.

(2) In case a request for rehearing or reconsideration shall have been made within the time permitted and in conformity with the agency's rules *ten days after the decision and order of the agency*,

such the 30-day period provided in subdivision 1 shall not begin to run until service of the order finally disposing of the application for rehearing or reconsideration, but nothing herein shall be construed as requiring that an application for rehearing or reconsideration be filed with and disposed of by the agency as a prerequisite to the institution of a review proceeding under this section.

(b) The petition shall state the nature of the petitioner's interest, the facts showing the petitioner is aggrieved and is affected by the decision, and the ground or grounds upon which the petitioner contends that the decision should be reversed or modified. The petition may be amended by leave of court although the time for serving the same petition has expired. The petition shall be entitled in the name of the person serving the same petition as petitioner and the name of the agency whose decision is sought to be reviewed as respondent. Copies of the petition shall be served, personally or by certified mail, not later than 30 days after the institution of the proceeding, upon all parties who appeared before the agency in the proceeding in which the order sought to be reviewed was made; and for the purpose of such service the agency upon request shall certify to the petitioner the names and addresses of all such parties as disclosed by its records, which certification shall be conclusive. The agency and all parties to the proceeding before it shall have the right to participate in the proceedings for review. The court in its discretion may permit other interested parties to intervene.

(c) Every person served with the petition for review as provided in this section and who desires to participate in the proceedings for review thereby instituted shall serve upon the petitioner, within 20 days after service of the petition upon such person, a notice of appearance stating his position with reference to the affirmance, vacation, reversal or modification of the order or decision under review. Such notice, other than by the named respondent, shall also be served on the named respondent and the attorney general and shall be filed, together with proof of service thereof, with the clerk of the reviewing court within ten days after such service. Service of all subsequent papers or notices in such proceedings need be made only upon the petitioner, the named respondent, the attorney general, and such other persons as have served and filed the notice as herein provided, or have been permitted to intervene in said proceedings as parties thereto by order of the reviewing court.

Sec. 21. Minnesota Statutes 1978, Section 15.0424, Subdivision 6, is amended to read:

Subd. 6. [PROCEDURE ON REVIEW.] The review shall be conducted by the court without a jury and shall be confined to the record, except that in cases of alleged irregularities in procedure before the agency, not shown in the record, testimony thereon may be taken in the court. The court shall, upon request, hear oral argument and receive written briefs. Except as otherwise provided all proceedings shall be conducted according to the rules of civil procedure.

Sec. 22. Minnesota Statutes 1978, Section 15.0425, is amended to read:

15.0425 [SCOPE OF JUDICIAL REVIEW.] In any proceedings for a judicial review by any court of decisions of any agency as defined in section 15.0411, subdivision 2 (~~including these agencies excluded from the definition of agency in section 15.0411, subdivision 2~~) under section 15.0424 the court may affirm the decision of the agency or remand the case for further proceedings; or it may reverse or modify the decision if the substantial rights of the petitioners may have been prejudiced because the administrative finding, inferences, conclusion, or decisions are:

- (a) In violation of constitutional provisions; or
- (b) In excess of the statutory authority or jurisdiction of the agency; or
- (c) Made upon unlawful procedure; or
- (d) Affected by other error of law; or
- (e) Unsupported by substantial evidence in view of the entire record as submitted; or
- (f) Arbitrary or capricious.

Sec. 23. Minnesota Statutes 1978, Section 15.0426, is amended to read:

15.0426 [APPEALS TO SUPREME COURT.] An aggrieved party, including an agency which issued a decision ~~or~~ and order in the case, may secure a review of any final order or judgment of the district court under ~~sections~~ section 15.0424 ~~or~~ 15.0425 by appeal to the supreme court. ~~Such~~ The appeal shall be taken in the manner provided by law for appeals from orders or judgments of the district court in other civil cases.

Sec. 24. Minnesota Statutes 1978, Section 15.052, Subdivision 1, is amended to read:

15.052 [OFFICE OF HEARING EXAMINERS.] Subdivision 1. A state office of ~~hearing examiners~~ *administrative hearings* is created. The office shall be under the direction of a chief hearing examiner, who shall be learned in the law and appointed by the governor, with the advice and consent of the senate, for a term ending on June 30 of the sixth calendar year after appointment. The chief hearing examiner shall appoint additional hearing examiners to serve in his office as necessary to fulfill the duties prescribed in this section. All hearing examiners shall be in the classified service except that the chief hearing examiner shall be in the unclassified service, but may be removed from his position only for cause. Additionally, all hearing examiners shall have demonstrated knowledge of administrative procedures and shall be free of any political or economic association that would impair their ability to function officially in a fair and objective manner.

Sec. 25. Minnesota Statutes 1978, Section 15.052, Subdivision 2, is amended to read:

Subd. 2. When regularly appointed hearing examiners are not available, the chief hearing examiner may contract with qualified individuals to serve as hearing examiners ~~for specific assignments~~. Such temporary hearing examiners shall not be employees of the state and shall be remunerated for their service at a rate not to exceed \$150 per day.

Sec. 26. Minnesota Statutes 1978, Section 15.052, Subdivision 4, is amended to read:

Subd. 4. The chief hearing examiner shall promulgate rules to govern the procedural conduct of all hearings, relating to both rule adoption, amendment, suspension or repeal hearings and contested case hearings. Such procedural rules for hearings shall be binding upon all agencies and shall supersede any other agency procedural rules with which they may be in conflict. The procedural rules for hearings shall include in addition to normal procedural matters provisions relating to recessing and reconvening new hearings when the proposed final rule of an agency is substantially different from that which was proposed at the public hearing. The procedural rules shall establish a procedure whereby the proposed final rule of an agency shall be reviewed by the chief hearing examiner to determine whether or not a new hearing is required because of substantial changes or failure of the agency to meet the requirements of section 15.0412, ~~subdivision 4 subdivisions 4 through 4f~~. Upon his own initiative or upon written request of an interested party, the chief hearing examiner may issue a subpoena for the attendance of a witness or the production of such books, papers, records or other documents as are material to the matter being heard. The subpoenas shall be enforceable through the district court in the district in which the subpoena is issued.

Sec. 27. Minnesota Statutes 1978, Section 15.052, Subdivision 5, is amended to read:

Subd. 5. The office of ~~hearing examiners~~ *administrative hearings* may maintain a court reporter system and in addition to or in lieu thereof may contract with non-governmental sources for court reporter services. The court reporters may additionally be utilized as the chief hearing examiner directs. Unless the chief hearing examiner determines that the use of a court reporter is more appropriate, an audio magnetic recording device shall be used to keep a record at any hearing which takes place under this chapter.

Court reporters serving in the court reporter system of the office of ~~hearing examiners~~, *administrative hearings* shall be in the classified service. *Notwithstanding the provisions of section 15.17, subdivision 4, copies of transcriptions of hearings conducted pursuant to this section may be obtained only through the office of administrative hearings.*

Sec. 28. Minnesota Statutes 1978, Section 15.052, Subdivision 7, is amended to read:

Subd. 7. A state office of ~~hearing examiner~~ *administrative hear-*

ings account is hereby created in the state treasury. All receipts from services rendered by the state office of hearing examiner *administrative hearings* shall be deposited in the account, and all funds in the account shall be annually appropriated to the state office of hearing examiner *administrative hearings* for carrying out the duties specified in this section.

Sec. 29. Minnesota Statutes 1978, Section 15.052, Subdivision 8, is amended to read:

Subd. 8. The chief hearing examiner may enter into contracts with political subdivisions of the state and such political subdivisions of the state may contract with the chief hearing examiner for the purpose of providing hearing examiners and reporters for administrative proceedings. *The contract may define the scope of the hearing examiner's duties, which may include the preparation of findings, conclusions, or a recommendation for action by the political subdivision.* For such services there shall be an assessment in the manner provided in subdivision 6.

Sec. 30. Minnesota Statutes 1978, Section 15.052, Subdivision 9, is amended to read:

Subd. 9. In consultation and agreement with the chief hearing examiner, the commissioner of administration shall, pursuant to authority vested in him by section 16.13, transfer from state agencies, such employees as he deems necessary to the state office of hearing examiners *administrative hearings*. Such action shall include the transfer of any state employee currently employed as a hearing examiner, if the employee qualifies under this section.

Sec. 31. Minnesota Statutes 1978, Section 15.1691, Subdivision 3, is amended to read:

Subd. 3. [INVESTIGATIVE DATA.] *Data on persons including data on vendors of services, which is collected, maintained, used or disseminated by the welfare system in an investigation, authorized by statute and relating to the enforcement of rules or law, is confidential pursuant to section 15.162, subdivision 2a, and shall not be disclosed except:*

(a) Pursuant to section 15.163;

(b) Pursuant to statute or valid court order;

(c) To a party named in a civil or criminal proceeding, administrative or judicial, for preparation of defense.

After presentation in court, the data shall be public data on individuals to the extent reflected in court records.

The data referred to in this subdivision shall be classified as public data upon its submission to a hearing examiner or court in an administrative or judicial proceeding.

Sec. 32. Minnesota Statutes 1978, Section 179.71, Subdivision 5, is amended to read:

Subd. 5. In addition to all other duties imposed by this section, the director shall:

(a) retain mediation jurisdiction over the parties for purposes of this subdivision until such time as the parties reach agreement; provided, however, he may continue to assist parties after the parties have submitted their final positions as provided or required under section 179.72, subdivision 6; or section 179.69, subdivision 6;

(b) issue notices, subpoenas and orders as may be required by law to carry out his duties under sections 179.61 to 179.77. Issuance of orders shall include those orders of the Minnesota public employment relations board;

(c) certify to the Minnesota public employment relations board those items of dispute between parties to be subject to the action of the Minnesota public employment relations board under section 179.69, subdivision 3;

(d) assist the parties in formulating petitions, notices, and other papers required to be filed with the director or the board;

(e) certify the final results of any election or other voting procedure conducted pursuant to sections 179.61 to 179.77;

(f) furnish clerical and administrative services to the Minnesota public employment relations board as may be required;

(g) adopt reasonable and proper rules and regulations relative to and regulating the forms of petitions, notices, orders and the conduct of hearings and elections subject to final approval of the Minnesota public employment relations board. Such rules and regulations shall be printed and made available to the public and a copy delivered with each notice of hearing; provided, that every such rule or regulation shall be filed with the secretary of state, and any change therein or additions thereto shall not take effect until 20 days after such filing;

(h) receive, catalogue and file in a logical manner all orders and decisions of the Minnesota public employment relations board and all arbitration panels authorized by sections 179.61 to 179.77 as well as all grievance arbitration decisions and the director's own orders and decisions. All orders and decisions catalogued and filed shall be made readily available to the public;

(i) promulgate a grievance procedure to effectuate the purposes of section 179.70, subdivision 1. Such grievance procedures shall not provide for the services of the bureau of mediation services. The exercise of authority granted by this clause shall be subject to the provisions of chapter 15; said grievance procedure to be available to any public employee employed in a unit not covered by a negotiated grievance procedure as contained in section 179.70, subdivision 1;

(j) conduct elections.

Sec. 33. Minnesota Statutes 1978, Section 179.72, Subdivision 3, is amended to read:

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

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

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

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

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

Sec. 34. Minnesota Statutes 1978, Section 268.12, Subdivision 3, is amended to read:

Subd. 3. [RULES, REGULATIONS.] Notwithstanding any inconsistent provision of law the commissioner is hereby authorized to adopt, amend, or rescind regulations as may be necessary for the administration of sections 268.03 to 268.24. Each proposed regulation, excepting those relating solely to the internal operation of the department, shall be published in one or more newspapers of general circulation in this state and be filed with the secretary of state prior to the time of publication. Any person or association desiring a copy of any proposed regulations shall file with the commissioner a written request therefor, containing his or its name and address. For a period of two years after the filing of such request the commissioner, at or prior to the time of any publication, shall mail to such person or association a copy of such proposed regulations. Each such proposed regulation, if theretofore approved by the attorney general as to form and legality, shall become final and effective 30 days after the publication thereof. Any employer, employee, or other person whose interest is or may be affected thereby may object to any such proposed regulation within ten days after publication thereof by filing with the commissioner a petition setting forth the grounds of objection to the proposed regulation and request a hearing thereon, whereupon a hearing shall thereafter be had before the commissioner or his duly authorized representative at a time and place designated by the commissioner or such representative after due notice of said hearing has been served by certified mail, upon the objecting party or parties not less than ten days before said hearing. In the event that the commissioner elects to amend such regulation after such hearing, then such amended regulation shall be filed with the secretary of state and a copy thereof mailed to each of the persons and associations who have filed a request for copies of proposed regulations as provided herein, and such amended regulation shall become effective five days after such filing and mailing. Judicial notice of any rule, regulation or order duly filed or published

under the provisions of this subdivision shall be taken adopted pursuant to the provisions of chapter 15.

Sec. 35. Minnesota Statutes 1978, Section 299A.03, Subdivision 8, is amended to read:

Subd. 8. [DISTRIBUTION OF GRANTS; APPROPRIATION.] The crime control planning board shall distribute money given to it for distribution for law enforcement or criminal justice purposes. All moneys received by the state from the federal government or any other sources for distribution by the crime control planning board are appropriated to the board. The board shall distribute money to state, regional and local agencies consistent with procedures, ~~criteria and priorities~~ which are promulgated by rule. To the extent that moneys to be distributed are federal moneys, the procedures, ~~criteria and priorities~~ shall be consistent with federal crime control acts and guidelines in respect to distribution of federal money. Before distributing money to a regional or local agency, the crime control planning board shall have determined that the activities to be funded will not be contrary to the state-wide comprehensive plan. Individual activities may be funded by the board, or it may elect to distribute money in a block grant to an agency for use in more than one approved activity. The board shall not fund an activity until it has approved a procedure for evaluation of the recipient agency's use of the money.

Sec. 36. *In the next and subsequent editions of Minnesota Statutes the revisor of statutes shall substitute the term "office of administrative hearings" for "office of hearing examiners" in every place where the latter term is used.*

Sec. 37. [REPEALER.] *Minnesota Statutes 1978, Sections 5.21 and 15.0423 are repealed.*

Sec. 38. [EFFECTIVE DATE.] *Sections 1, 2 and 31 shall be effective upon final enactment. Section 3 shall be effective on August 1, 1981. Section 7 shall be effective on September 1, 1980. Section 8 shall be effective on July 1, 1980. Any variance to a rule granted by an agency prior to the effective date of section 3 shall be valid notwithstanding the fact that the agency had not promulgated a rule governing the granting of variances at the time the variance was granted."*

Amend the title as follows:

Delete the title in its entirety and insert:

"A bill for an act relating to state government; changing certain administrative procedures; amending Minnesota Statutes 1978, Sections 3.965; 15.0412, Subdivisions 2, 4, 5, and by adding subdivisions; 15.0413, Subdivisions 1 and 2; 15.0418; 15.0419, Subdivisions 1, 2 and 4; 15.0422; 15.0424, Subdivisions 1, 2 and 6; 15.0425; 15.0426; 15.052, Subdivisions 1, 2, 4, 5, 7, 8 and 9; 15.1691, Subdivision 3; 179.71, Subdivision 5; 179.72, Subdivision 3; 268.12, Subdivision 3; 299A.03, Subdivision 8; and Minnesota Statutes, 1979 Supplement, Section 15.0411, Subdivision 2; repealing Minnesota Statutes 1978, Sections 5.21, and 15.0423."

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

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

S. F. No. 1955: A bill for an act relating to the arts; providing for a payment to the artist and to the board of the arts upon the sale of certain works of fine art; providing for the use of the payments by the board; authorizing an action for damages if a payment is not made; appropriating money.

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

Page 1, line 15, after "means" insert "a work of fine art including"

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

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

S. F. No. 2110: A bill for an act relating to metropolitan government; providing for the maximum amount of the borrowing authorization of the metropolitan airports commission; amending Minnesota Statutes 1978, Section 473.667, Subdivision 2.

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

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

S. F. No. 1679: A bill for an act relating to transportation; permitting certain exemptions from motor carrier reporting requirements; permitting establishment of driver qualifications and safety requirements for certain carriers; creating a single annual renewal date for holders of multiple permits; permitting issuance of "floater" identification cards to motor carriers; clarifying enforcement powers; amending Minnesota Statutes 1978, Sections 221.031; 221.131; and 221.221.

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

Page 1, after line 13, insert:

"Section 1. Minnesota Statutes, 1979 Supplement, Section 221.011, Subdivision 22, is amended to read:

Subd. 22. "Exempt carrier" means any carrier exempt from this chapter, or exempted from any other law or rule by the commissioner or commission. The following are so exempt *except as otherwise specifically provided in clause (c)*:

(a) Any person engaged in farming or in transporting agricultural, horticultural, dairy, livestock, or other farm products

within an area having a 25 mile radius from his home post office. Such carrier may transport other commodities within such area if the destination of each haul is a farm within the above described area. The owner of any truck operating under this provision shall imprint his name and address in prominent visible letters on the outside of the cab of his truck.

(b) Any occasional accommodation service beyond the 25 mile radius from his home post office by any person engaged in farming as his primary means of livelihood and actually residing on a farm and whose truck or trucks are licensed under provisions of section 168.013, subdivision 1c. Occasional accommodation service shall mean not in excess of six trips in any calendar year.

(c) Any person engaged in agricultural pursuits, who owns and uses a truck for transporting the products of his farm, or any person while engaged exclusively in the transportation of fresh vegetables from farms to canneries or viner stations, or from viner stations to canneries, or from canneries to canneries during the harvesting, canning or packing season, or potatoes, sugar beets, wild rice and rutabagas from the field of production to the first place of delivery or unloading, including but not limited to a processing plant, warehouse or railroad siding. This term shall also apply to a manufacturer, producer, dealer or distributor who, in the pursuit of his own business, owns and uses trucks for the purpose of transporting his own products, and shall apply to any person while engaged exclusively in the transportation of pulpwood, cord wood, mining timber, poles, posts, decorative evergreens, wood chips, sawdust, shavings and bark from the place where the products are produced to the point where they are to be used or shipped; *except that these manufacturers, producers, dealers or distributors transporting their own products and these persons engaged exclusively in the transportation of wood or wood products, together with any transporting vehicles licensed and registered for a gross vehicle weight of more than 10,000 pounds, shall be subject to the requirements of section 221.031 insofar as the provisions of that section apply to driver qualifications, maximum hours of service of drivers, and safety of operations and equipment.*

(d) Any person while exclusively engaged in the transportation of dirt and sod within an area having a 50 mile radius from his home post office.

(e) Any person while exclusively engaged in the transportation of sand, gravel, bituminous asphalt mix or crushed rock to or from the point of loading or a place of gathering within an area having a 50 mile radius from his home post office or a 50 mile radius from the site of construction or maintenance of public roads and streets.

(f) Any person engaged in the transportation of household goods for the federal government or any agency thereof or the transportation of household goods for the state government or any agency thereof, where competitive bids are required by law shall be exempt from the provisions of section 221.161.

(g) Any person engaged in transporting property or freight, excepting household goods and petroleum products in bulk, when the movement is entirely within the corporate limits of a city or between contiguous cities.

(h) Emergency vehicles such as ambulances, tow trucks, and hearses when carrying proper and legal warning devices.

(i) Any person engaged in delivery or spreading of agricultural lime.

(j) Any person engaged in transporting rubbish as defined in section 443.27.

(k) Any person engaged in the transportation of grain samples under such terms and conditions as the commissioner or commission may prescribe.

(l) A motor vehicle, in this chapter referred to as a "commuter van," having a capacity of seven to 16 persons which is used principally to provide prearranged transportation of persons for a fee to or from their place of employment or to or from a transit stop authorized by a local transit authority which vehicle is to be operated by a person who does not drive the vehicle for his principal occupation but is driving it only to or from his principal place of employment, to or from a transit stop authorized by a local transit authority, or for personal use at other times by an authorized driver; provided, that commuter vans shall not be exempt from any provision of this chapter which by its terms explicitly applies to these vehicles."

Page 1, line 14, after "221.031," insert "Subdivision 1,"

Page 1, line 23, strike "therefor" and insert "*for the rules and regulations*"

Page 2, line 14, strike the semicolon and insert a period

Page 2, line 15, strike "provided, however, that any" and insert "A"

Page 2, line 19, strike "thereof" and before "the" insert "*of filing the report*"

Page 3, delete lines 3 to 17

Page 3, line 31, strike "thereof"

Page 4, line 3, strike "thereof" and insert "*of the 12 month period*"

Page 4, line 5, strike ", provided" and insert "*if the*"

Page 4, line 14, strike "good" and insert "*valid*"

Page 4, line 20, strike "thereof" and insert "*of the permit*"

Page 4, line 22, strike "same" and insert "*permit*"

Page 5, line 13, strike "hereto" and insert "*to chapter 221*"

Page 5, line 18, strike "anywhere"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "permitting establishment of" and insert "requiring"

Page 1, line 11, after "221.031" insert ", Subdivision 1"

Page 1, line 11, delete "and" and before the period insert "; and Minnesota Statutes, 1979 Supplement, Section 221.011, Subdivision 22"

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

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

S. F. No. 1981: A bill for an act relating to housing; appropriating money for American Indian housing.

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 462A.21, Subdivision 4c, is amended to read:

Subd. 4c. It may establish a revolving loan fund and may make eligible loans, pursuant to subdivision 4b, to low and moderate income American Indians as provided in section 462A.07, subdivision 14 and may pay the costs and expenses necessary and incidental to the development and operation of such programs. *Any funds appropriated by the legislature for the purposes of this subdivision shall be allocated as follows: 64 percent of the appropriations shall be used in the development and operation of housing programs by the Minnesota Chippewa tribe; 30 percent of the appropriations shall be used in the development and operation of housing programs by the Red Lake band; six percent of the appropriations shall be used in the development and operation of housing programs by the Sioux communities.*

Sec. 2. Subdivision 1. *The sum of \$4,000,000 is appropriated from the general fund to the housing development fund created in Minnesota Statutes, Section 462A.20, for the purposes set forth in this act and for the payment of related costs and expenses.*

Subd. 2. *For the American Indians revolving fund provided in section 462A.21, subdivision 4c*

\$2,665,000.

Subd. 3. *For the urban American Indians revolving fund provided in section 462A.21, subdivision 4d*

\$1,335,000."

Amend the title as follows:

Page 1, line 3, before the period, insert “; amending Minnesota Statutes 1978, Section 462A.21, Subdivision 4c”

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

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

S. F. No. 2090: A bill for an act relating to transportation; allowing the use of certain documents as relevant evidence of exceeding vehicle weight limits; requiring record keeping for shipments unloaded; imposing civil penalties; amending Minnesota Statutes 1978, Chapter 169, by adding sections.

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

Page 2, line 1, after “document” insert “required to be kept under section 3”

Page 2, line 14, delete “that operates” and insert “which is operated”

Page 2, line 24, delete “ten” and insert “five”

Page 3, line 14, after the second “or” insert “a person who”

Page 3, line 15, after “volume” insert “measure”

Page 3, line 26, after the period insert “This subdivision also does not apply, at any time during the year, to a person who weighs a commodity for which a weight variance is permitted under section 169.83, subdivision 1, clause 3.”

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

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

S. F. No. 1957: A bill for an act relating to transportation; exempting certain substituted aircraft from payment of the aircraft registration tax; limiting refunds under certain circumstances; clarifying the penalty assessed for late payment of registration tax; amending Minnesota Statutes 1978, Sections 360.55, by adding a subdivision; and 360.61.

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

Page 2, line 18, strike “such” and insert “the”

Page 2, line 19, strike “thereof” and insert “within the state”

Page 2, line 22, strike “thereafter” and insert “after the aircraft first uses the air space or the airports”

Page 2, line 25, strike “thereafter”

Page 2, line 27, strike "thereafter" and insert "*after July 1 of that fiscal year,*"

Page 2, line 29, strike "Every" and insert "An"

Page 2, line 30, strike "any" and insert "a"

Page 2, line 32, strike the first "such" and insert "the"

Page 2, line 32, strike the second "such" and insert "the"

Page 2, line 33, strike "this act" and insert "*sections 360.511 to 360.67*"

Page 3, line 7, strike "such" and insert "the"

Page 3, line 8, strike "any" and insert "a"

Page 3, line 8, strike "thereof" and insert "*of that calendar month*"

Page 3, line 10, strike "thereafter"

Page 3, line 10, strike "any" and insert "a"

Page 3, line 10, strike "thereof" and insert "*of that additional month*"

Page 3, line 10, strike "such" and insert "the"

Page 3, line 11, strike "such" and insert "the"

Page 3, line 12, strike "such" and insert "the" in both instances

Page 3, line 15, strike the first "any"

Page 3, line 15, strike the second "any" and insert "a"

Page 3, line 16, strike the first "such" and insert "the"

Page 3, line 16, strike the second "such" and insert "a"

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

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

S. F. No. 2088: A bill for an act relating to transportation; providing for statewide park and ride facilities; amending Minnesota Statutes 1978, Chapter 174, by adding sections; appropriating money.

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

Page 1, line 10, delete "GRANT"

Page 1, line 20, delete "such" and insert "highway"

Page 2, line 18, delete "from" and insert "of"

Page 2, line 21, delete "from" and insert "of"

Page 2, delete lines 25 to 29

Page 3, line 3, delete "state"

Page 3, line 4, after the first "program" insert "throughout the state"

Page 3, delete lines 9 through 11

Page 3, line 13, delete "clauses (a) and (b)" and insert "clause (a)"

Reletter the clauses in sequence

Page 4, line 8, delete "November 15, 1980" and insert "January 15, 1981"

Page 4, line 14, delete "acquired" and insert "in use"

Page 4, line 15, delete "acquired" and insert "in use"

Amend the title as follows:

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

Page 1, line 5, delete "; appropriating money"

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

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

S. F. No. 657: A bill for an act relating to nuclear waste management and disposal; requiring certificates of feasibility; providing for administration by the Minnesota energy agency; providing for changes in rate base computations; providing penalties; amending Minnesota Statutes 1978, Section 216B.16, Subdivision 6.

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

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

S. F. No. 1930: A bill for an act relating to housing; providing the housing finance agency with authority to make grants and loans to certain sponsors of housing used for temporary shelter; appropriating money; amending Minnesota Statutes 1978, Sections 462A.05, by adding a subdivision; and 462A.21, by adding a subdivision.

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

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

S. F. No. 1731: A bill for an act relating to trade secrets; enacting the uniform trade secrets act.

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

Page 1, line 6, after "[DEFINITIONS.] insert "Subdivision 1."

Page 1, line 6, delete "this act," and insert "sections 2 to 7, the terms defined in these sections have the meanings given them"

Page 1, line 8, delete "(1)"

Page 1, line 12, delete "(2)" and insert "Subd. 2."

Page 2, line 11, delete "(3)" and insert "Subd. 3."

Page 2, line 15, delete "(4)" and insert "Subd. 4."

Page 2, line 33, delete "a reasonable" and insert "(1) an equitable"

Page 3, line 2, before the period insert "; or (2) other compensation"

Page 3, line 12, delete "not"

Page 3, delete line 13 and insert "which the court deems just and equitable."

Page 3, line 21, delete "this act" and insert "sections 2 to 7"

Page 4, line 1, delete "This act displaces" and insert "Sections 2 to 7 displace"

Page 4, line 5, delete "This act does" and insert "Sections 2 to 7 do"

Page 4, line 11, delete "This act" and insert "Sections 1 to 8"

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

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

S. F. No. 1785: A bill for an act relating to game and fish; authorizing moose seasons in the discretion of the commissioner; amending Minnesota Statutes 1978, Section 100.27, Subdivision 2.

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

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

S. F. No. 1959: A bill for an act relating to natural resources; authorizing additional conservation officers; appropriating money.

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

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

S. F. No. 1979: A bill for an act relating to state forests; altering the boundaries of Badoura State Forest; amending Minnesota Statutes 1978, Section 89.021, Subdivision 2.

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

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

S. F. No. 1986: A bill for an act relating to historic sites and monuments; adding property to Split Rock Lighthouse historic site; reestablishing Traverse des Sioux historic site as a state monument; appropriating funds; amending Minnesota Statutes 1978, Sections 138.025, Subdivision 10; and 138.585, by adding a subdivision; repealing Minnesota Statutes 1978, Section 138.55, Subdivision 5.

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

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

S. F. No. 1995: A bill for an act relating to municipal industrial revenue bonds; providing for reports; amending Minnesota Statutes 1978, Chapter 474, by adding a section.

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

Page 1, line 9, before "Every" insert "Subdivision 1."

Page 1, line 10, after "report" insert "on a form prescribed by the state auditor"

Page 1, line 18, delete "and"

Page 1, after line 18, insert:

"(3) The amount of bond proceeds used to purchase equipment, machinery and office furniture; and"

Page 1, line 19, delete "(3)" and insert "(4)"

Page 2, line 4, after "auditor" insert ", on a form prescribed by the state auditor,"

Page 2, line 9, before the period, insert "for the prior calendar year"

Page 2, after line 20, insert:

"Subd. 2. Each municipality which issues or authorizes the issuance of revenue bonds shall annually, on or before March 1,

submit a report to the state auditor, on a form prescribed by the state auditor, listing all revenue bonds issued or authorized to be issued by it during the preceding calendar year. The report shall include:

(1) The total cost of (a) underwriting fees, (b) legal fees, (c) bond consulting fees, and (d) all other charges associated with the authorization or issuance of the bonds;

(2) Any other relevant information as the auditor may require.

Each contracting party shall cooperate with the municipality or redevelopment authority in preparing the information required for the annual report.

The state auditor shall annually, on or before July 1, submit a report to the state legislature summarizing the reports received from municipalities or redevelopment authorities for the prior calendar year.

Subd. 3. Except as otherwise provided in this section, the cost of preparing the required reports shall be borne by the party preparing them."

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. 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 bill be amended as follows:

Page 1, line 27, delete "*if those volunteers, without reimbursement, could*" and insert a period

Page 2, delete line 1

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. 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; pre-

scribing penalties; amending Minnesota Statutes 1978, Sections 326.32, by adding a subdivision; 326.33, Subdivision 1; 326.331; 326.332, Subdivision 1; 326.333; 326.336, Subdivisions 1 and 2, and by adding subdivisions; 326.337, Subdivision 1; and 326.338, Subdivision 2.

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

Page 6, line 18, before the period, insert "*in the performance of their duties*"

Page 7, line 9, before the period, insert "*by the employee while on duty*"

Page 7, line 13, delete "*uniformed employee*" and insert "*employee uniform*"

Page 11, line 12, delete "*such*" and insert "*the*"

Page 12, line 28, delete "*, to*" and insert "*and*"

Page 13, line 25, after "*provisions*" insert "*, except for the continuing program requirement of section 14,*"

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

H. F. No. 1453: A bill for an act relating to retirement; authorizing payment of severance pay to retiring employees; validating past payments; amending Minnesota Statutes 1978, Section 356.24; and 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. 1825: A bill for an act relating to state government; permitting payroll deductions for the Minnesota Benefit Association; amending Minnesota Statutes 1978, Section 10.39, Subdivision 1.

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. 1985: A bill for an act relating to municipal industrial development; requiring consideration of certain policy matters; defining projects; amending Minnesota Statutes 1978, Section 474.02, Subdivision 1b; and Minnesota Statutes, 1979 Supplement, Section 474.01, Subdivision 7a.

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

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

S. F. No. 1076: A bill for an act relating to banks; authorizing certain branch banks; permitting consolidation of banks in regions; amending Minnesota Statutes 1978, Sections 48.34 and 49.34.

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

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

S. F. No. 1922: A bill for an act relating to financial institutions; permitting banks or trust companies to invest up to 20 percent of their capital and surplus in certain agricultural credit corporations; amending Minnesota Statutes 1978, Section 48.61, Subdivision 1.

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

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

S. F. No. 1813: A bill for an act relating to mobile homes; permitting the sale of mobile homes from a residence; amending Minnesota Statutes 1978, Section 327.55, Subdivision 1.

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

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

S. F. No. 2077: A bill for an act relating to interest; regulating rates of interest on loans for business and agricultural transactions; removing certain deficiencies and ambiguities; amending Minnesota Statutes, 1979 Supplement, Section 334.011, Subdivision 1.

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

Page 2, line 16, strike "residential purposes" and insert "*the borrower's residence*"

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

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

S. F. No. 1900: A bill for an act relating to financial institutions; authorizing certain additional facilities for banks; amending Minnesota Statutes 1978, Section 47.52.

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

Page 2, line 15, delete "*provided*" and insert "*if the commissioner determines*"

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

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

S. F. No. 2104: A bill for an act relating to state lands; changing the interest rate on unpaid sale balances; amending Minnesota Statutes 1978, Section 92.06, Subdivision 1.

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

Page 1, line 18, delete "*monthly index of the*" and insert "*rate in effect at time of the sale pursuant to section 47.20, subdivision 4,*"

Page 1, lines 19 and 20, delete the new language

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

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

S. F. No. 1703: A bill for an act relating to motor vehicles; providing for delivery of motor vehicle certificates of title to owners upon satisfaction of a security interest; amending Minnesota Statutes 1978, Section 168A.20, Subdivision 1.

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

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

S. F. No. 2067: A bill for an act relating to motor vehicles; increasing the maximum interest rate on certain loans under the Motor Vehicle Retail Installment Sales Act; amending Minnesota Statutes 1978, Section 168.72.

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

Mr. Gearty from the Committee on Elections, to which was referred the following appointment as reported in the Journal for February 21, 1980:

STATE ETHICAL PRACTICES BOARD

Elizabeth Ebbott

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 April 9, 1979:

**STATE BOARD OF INVESTMENT
EXECUTIVE SECRETARY**

Jonathan P. White

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

S. F. No. 1322: A bill for an act relating to local government; providing for municipal planning; authorizing regulation of subdivisions; providing a penalty; amending Minnesota Statutes 1978, Sections 462.351; 462.352, by adding subdivisions; 462.355, Subdivision 4; 462.358, by adding subdivisions; repealing Minnesota Statutes 1978, Section 462.358, Subdivisions 1, 2, 3 and 4.

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 462.351, is amended to read:

462.351 [MUNICIPAL PLANNING AND DEVELOPMENT; STATEMENT OF POLICY.] The legislature finds that municipalities are faced with mounting problems in providing means of guiding future development of land so as to insure a safer, more pleasant and more economical environment for residential, commercial, industrial and public activities, *to preserve agricultural and other open lands*, and to promote the public health, safety, ~~morals~~ and general welfare. Municipalities can prepare for anticipated changes and by such preparations bring about significant savings in both private and public expenditures. Municipal planning, by providing public guides to future municipal action, enables other public and private agencies to plan their activities in harmony with the municipality's plans. Municipal planning will assist in developing lands more wisely to serve citizens more effectively, will make the provision of public services less costly, and will achieve a more secure tax base. It is the purpose of sections 462.351 to 462.364 to provide municipalities, in a single body of law, with the necessary powers and a uniform procedure for adequately conducting and implementing municipal planning.

Sec. 2. Minnesota Statutes 1978, Section 462.352, is amended by adding a subdivision to read:

Subd. 12. "Subdivision" means the separation of an area, parcel, or tract of land under single ownership into two or more parcels, tracts, lots, or long-term leasehold interests necessitating the creation of streets, roads, or alleys, for residential, commercial, industrial, or other use or any combination thereof, except those separations:

(a) Where all the resulting parcels, tracts, lots, or interests will be 20 acres or larger in size and 500 feet in width for residential uses and five acres or larger in size for commercial and industrial uses;

(b) Creating cemetery lots;

(c) Resulting from court orders, or the adjustment of a lot line by the relocation of a common boundary.

Sec. 3. Minnesota Statutes 1978, Section 462.352, is amended by adding a subdivision to read:

Subd. 13. "Minor subdivision" means a subdivision involving the creation of four or fewer parcels, tracts, lots or leasehold interests.

Sec. 4. Minnesota Statutes 1978, Section 462.352, is amended by adding a subdivision to read:

Subd. 14. "Plat" means the drawing or map of a subdivision prepared for filing of record pursuant to chapter 505 and containing all elements and requirements set forth in applicable local regulations adopted pursuant to section 462.358 and chapter 505.

Sec. 5. Minnesota Statutes 1978, Section 462.352, is amended by adding a subdivision to read:

Subd. 15. "Subdivision regulation" means an ordinance adopted pursuant to section 462.358 regulating the subdivision of land.

Sec. 6. Minnesota Statutes 1978, Section 462.352, is amended by adding a subdivision to read:

Subd. 16. "Official controls" or "controls" means ordinances and regulations which control the physical development of a city, county or town or any part thereof or any detail thereof and implement the general objectives of the comprehensive plan. Official controls may include ordinances establishing zoning, subdivision controls, site plan regulations, sanitary codes, building codes and official maps.

Sec. 7. Minnesota Statutes 1978, Section 462.352, is amended by adding a subdivision to read:

Subd. 17. "Preliminary approval" means official action taken by a municipality on an application to create a subdivision which establishes the rights and obligations set forth in section 462.358 and the applicable subdivision regulation. In accordance with sec-

tion 462.358, and unless otherwise specified in the applicable subdivision regulation, preliminary approval may be granted only following the review and approval of a preliminary plat or other map or drawing establishing without limitation the number, layout, and location of lots, tracts, blocks, and parcels to be created, location of streets, roads, utilities and facilities, park and drainage facilities, and lands to be dedicated for public use.

Sec. 8. Minnesota Statutes 1978, Section 462.355, Subdivision 4, is amended to read:

Subd. 4. [INTERIM ORDINANCE.] If a municipality is conducting or in good faith intends to conduct studies within a reasonable time or has authorized a study to be conducted or has held or has scheduled a hearing for the purpose of considering adoption or amendment of a comprehensive plan or official controls as defined in section 473.852 462.352, subdivision 16, or if new territory for which plans or controls have not been adopted is annexed to a municipality, the governing body of the municipality may adopt an interim ordinance applicable to all or part of its jurisdiction for the purpose of protecting the planning process and the health, safety and welfare of its citizens. The interim ordinance may regulate, restrict or prohibit any use or, development, or subdivision within the jurisdiction or a portion thereof for a period not to exceed one year from the date it is created effective, and may be renewed extended for one additional year such additional periods as the municipality may deem appropriate, not exceeding a total additional period of 18 months. No interim ordinance may halt, delay, or impede a subdivision which has been given preliminary approval prior to the effective date of the interim ordinance.

Sec. 9. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 1a. [AUTHORITY.] To protect and promote the public health, safety, and general welfare, to provide for the orderly, economic, and safe development of land, to preserve agricultural lands, to promote the availability of housing affordable to persons and families of all income levels, and to facilitate adequate provision for transportation, water, sewage, storm drainage, schools, parks, playgrounds, and other public services and facilities, a municipality may by ordinance adopt subdivision regulations establishing standards, requirements, and procedures for the review and approval or disapproval of subdivisions. The regulations may contain varied provisions respecting, and be made applicable only to, certain classes or kinds of subdivisions. The regulations shall be uniform for each class or kind of subdivision.

A municipality may by resolution extend the application of its subdivision regulations to unincorporated territory located within two miles of its limits in any direction but not in a town which has adopted subdivision regulations; provided that where two or more noncontiguous municipalities have boundaries less than four miles apart, each is authorized to control the subdivision of land equal distance from its boundaries within this area. However, if a municipality extends the application of its subdivision or zoning

regulations to unincorporated territory, upon the petition of any county board or town board affected by the subdivision or zoning regulations, a joint board shall be established consisting of a three-member committee with one member appointed from each of the municipal, town and county governing bodies. This joint board shall adopt zoning and subdivision regulations under Minnesota Statutes, Sections 462.351 to 462.364 for the entire area within two miles of the city located within a town, and designate one of the governing bodies to serve as the governing body and board of appeals and adjustment for purposes of sections 462.357 and 462.358 within the area. During the time before the joint board adopts subdivision regulations, the subdivision regulations which the municipality has extended shall apply.

Sec. 10. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 2a. [TERMS OF REGULATIONS.] The standards and requirements in the regulations may address without limitation: the size, location, grading, and improvement of lots, structures, public areas, streets, roads, trails, walkways, curbs and gutters, water supply, storm drainage, lighting, sewers, electricity, gas, and other utilities; the planning and design of sites; access to solar energy; and the protection and conservation of flood plains, shore lands, soils, water, vegetation, energy, air quality, and geologic and ecologic features. The regulations shall require that subdivisions be consistent with the municipality's official map if one exists and its zoning ordinance, and may require consistency with other official controls and the comprehensive plan. The regulations may prohibit certain classes or kinds of subdivisions in areas where prohibition is consistent with the comprehensive plan and the purposes of this section, particularly the preservation of agricultural lands. The regulations may prohibit the issuance of building permits for any tracts, lots, or parcels for which required subdivision approval has not been obtained. The regulations may permit the municipality to condition its approval on the construction and installation of sewers, streets, electric, gas, drainage, and water facilities, and similar utilities and improvements or, in lieu thereof, on the receipt by the municipality of a cash deposit, certified check, irrevocable letter of credit, or bond in an amount and with surety and conditions sufficient to assure the municipality that the utilities and improvements will be constructed or installed according to the specifications of the municipality. The regulations may permit the municipality to condition its approval on compliance with other requirements reasonably related to the provisions of the regulations and to execute development contracts embodying the terms and conditions of approval. The municipality may enforce such agreements and conditions by appropriate legal and equitable remedies.

Sec. 11. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 2b. [DEDICATION.] The regulations may require that a reasonable portion of any proposed subdivision be dedicated

to the public or preserved for public use as streets, roads, sewers, electric, gas, and water facilities, and similar utilities and improvements. In addition, the regulations may require that a reasonable portion of any proposed subdivision be dedicated to the public or preserved for public use as parks, playgrounds, trails, open space, or storm water drainage and holding areas or ponds; provided that (a) the municipality may choose to accept an equivalent amount in cash from the applicant for part or all of the portion required to be dedicated to such public uses or purposes based on the fair market value of the land no later than at the time of final approval, (b) any cash payments received shall be placed in a special fund by the municipality used only for the purposes for which the money was obtained, (c) in establishing the reasonable portion to be dedicated, the regulations may consider the open space, park, recreational, or common areas and facilities which the applicant proposes to reserve for the subdivision, and (d) the municipality reasonably establishes that it will need to acquire that portion of land for the purposes stated in this subdivision as a result of approval of the subdivision.

Sec. 12. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 3a. [PLATTING.] The regulations may require that any subdivision creating parcels, tracts, or lots, shall be platted. The regulations shall require that all subdivisions which create five or more lots or parcels which are 2½ acres or less in size shall be platted. The regulations shall not conflict with the provisions of chapter 505 but may address subjects similar and additional to those in that chapter.

Sec. 13. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 3b. [REVIEW PROCEDURES.] The regulations shall include provisions regarding the content of applications for proposed subdivisions, the preliminary and final review and approval or disapproval of applications, and the coordination of such reviews with affected political subdivisions and state agencies. The regulations may provide for the consolidation of the preliminary and final review and approval or disapproval of subdivisions. Preliminary or final approval may be granted or denied for parts of subdivision applications. The regulations may prescribe fees sufficient to defray the costs incurred by the municipality in the review and investigation of and actions upon such applications. The regulations may delegate the authority to review proposals to the planning commission, but final approval or disapproval shall be the decision of the governing body of the municipality unless otherwise provided by law or charter. The regulations shall require that a public hearing shall be held on all subdivision applications, except those minor subdivisions, prior to preliminary approval, unless otherwise provided by law or charter. The hearing shall be held following publication of notice of the time and place thereof in the official newspaper at least ten days be-

fore the day of the hearing. At the hearing, all persons interested shall be given an opportunity to make presentations. A subdivision application shall be preliminarily approved or disapproved within 120 days, except a minor subdivision application shall be preliminarily approved or disapproved within 10 days following delivery by the applicant to the municipality of a completed application unless an extension of the review period has been agreed to by the applicant. When a division to which the regulations of the municipality do not apply is presented to the city, the clerk of the municipality must, within ten days of the date it is presented, certify that the subdivision regulations of the municipality do not apply to the particular division.

If the municipality or the responsible agency of the municipality fails to preliminarily approve or disapprove an application within the review period, the application shall be deemed preliminarily approved, and upon demand the municipality shall execute a certificate to that effect. Following preliminary approval the applicant may request final approval by the municipality, and upon such request the municipality shall certify final approval within 60 days if the applicant has complied with all conditions and requirements of applicable regulations and all conditions and requirements upon which the preliminary approval is expressly conditioned either through performance or the execution of appropriate agreements assuring performance. If the municipality fails to certify final approval as so required, and if the applicant has complied with all conditions and requirements, the application shall be deemed finally approved, and upon demand the municipality shall execute a certificate to that effect. The applicant shall be notified of the preliminary and final approval or disapproval of his application, and the action and reasons therefor shall be set forth in the proceedings of the municipality. The notice and proceedings shall identify the subdivision or parts thereof which have been preliminarily or finally approved and any requirements upon which such approval has been conditioned. After final approval a subdivision may be filed or recorded.

Sec. 14. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 3c. [EFFECT OF SUBDIVISION APPROVAL.] For one year following preliminary approval and for two years following final approval, unless the subdivider and the municipality agree otherwise, no amendment to a comprehensive plan or official control shall apply to or affect the use, development density, lot size, lot layout, or dedication or platting required or permitted by the approved application. Thereafter, pursuant to its regulations, the municipality may extend the period by agreement with the subdivider and subject to all applicable performance conditions and requirements, or it may require submission of a new application unless substantial physical activity and investment has occurred in reasonable reliance on the approved application and the subdivider will suffer substantial financial damage as a consequence of a requirement to submit a new application. In connection with a subdivision involving planned and staged develop-

ment, a municipality may by resolution or agreement grant the rights referred to herein for such periods of time longer than two years which it determines to be reasonable and appropriate.

The provisions of this subdivision may be applied by municipalities to subdivisions approved before April 1, 1945, if all the lots in the subdivision are encumbered and owned by one person or entity. Any municipality intending to so apply the provisions of this subdivision shall cause notice of its intention, including a description of the lands to which the application of the subdivision regulations is proposed, to be published in a newspaper of general circulation serving the municipality in which the subdivision regulations apply once each week for two consecutive weeks, and shall serve personal notice by certified mail at the last known address of the record owner of any interest in the lots in the subdivision. Thirty days after the last publication or the deposit of the certified letter with the postal authorities for delivery, whichever occurs later, the municipality may apply its subdivision regulations to subdivisions approved before April 1, 1945, which were described in the published notice unless within that period the record owner of the lands described in the published notice requests by certified mail to the city clerk of the municipality a public hearing on the applicability of the subdivision regulations, in which case a public hearing shall be held prior to the application of the regulations. The municipality shall within 30 days of the application of the subdivision regulations to subdivisions approved before April 1, 1945, make application to the district court pursuant to section 505.14 to vacate or alter all plats applicable to the land in question.

Sec. 15. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 4a. [DISCLOSURE BY SELLER; BUYER'S ACTION FOR DAMAGES.] After the effective date of this section, any person conveying a new parcel of land which, or the plat for which, has not previously been filed or recorded, and which is part of or would constitute a subdivision to which adopted municipal subdivision regulations apply, shall attach to the instrument of conveyance either: (a) recordable certification by the clerk of the municipality that the subdivision regulations do not apply, or that the subdivision has been approved by the governing body, or that the restrictions on the division of taxes and filing and recording have been waived by resolution of the governing body of the municipality in this case because compliance will create an unnecessary hardship and failure to comply will not interfere with the purpose of the regulations; or (b) a statement which names and identifies the location of the appropriate municipal offices and advises the grantee that municipal subdivision and zoning regulations may restrict the use or restrict or prohibit the development of the parcel, or construction on it, and that the division of taxes and the filing or recording of the conveyance may be prohibited without prior recordable certification of approval, nonapplicability, or waiver from the municipality. In any action commenced by a buyer of such a parcel against the seller thereof, the misrepres-

sentation of or the failure to disclose material facts in accordance with this subdivision shall be grounds for damages. If the buyer establishes his right to damages, a district court hearing the matter may in its discretion also award to the buyer an amount sufficient to pay all or any part of the costs incurred in maintaining the action, including reasonable attorney fees, and an amount for punitive damages not exceeding five per centum of the purchase price of the land.

Sec. 16. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 4b. [MUNICIPALITY; INJUNCTION; FINES.] A municipality may enjoin a conveyance or transfer which would violate the provisions of subdivision 4a of this act. Any person who conveys a lot or parcel in violation of subdivision 4a or section 17 of this act shall forfeit and pay to the municipality a fine of not more than \$100. A municipality may recover the penalty by a civil action in a court of competent jurisdiction. The court may in its discretion award to the municipality an amount sufficient to pay all or any part of the costs incurred by the municipality in maintaining the action, including reasonable attorney fees.

Sec. 17. Minnesota Statutes 1978, Section 462.36, Subdivision 1, is amended to read:

462.36 [CERTIFIED COPIES FILED.] Subdivision 1. **[REQUIRED DOCUMENTS.]** A certified copy of every municipal ordinance, resolution, map, or regulation adopted under the provisions of sections 462.358 and 462.359 and amendments thereto, together with a description of the lands to which they apply, shall be filed with the county recorder and auditor of the county or counties in which the municipality adopting it is and lands are located. Ordinances, resolutions, maps or regulations filed with the county recorder pursuant to this subdivision do not constitute encumbrances on real property.

Sec. 18. **[CONFLICT OF LAWS; APPLICABILITY.]** *Where and to the extent that a provision of a municipal ordinance adopted before the effective date of this act, is determined by the governing body of the municipality to conflict with the requirements of this act, the provision of the municipal ordinance shall govern until such time as the ordinance is amended to conform to this act or the effective date of this act, whichever occurs first, provided that this act shall not be construed to require a municipality to regulate subdivisions, or to regulate subdivisions to the maximum extent authorized by this act.*

Sec. 19. Minnesota Statutes 1978, Section 505.14, is amended to read:

505.14 [VACATION.] *Subdivision 1. Upon the application of the owner of land included in any plat, and upon proof that all taxes assessed against such land have been paid, and the notice hereinafter provided for given, the district court may vacate or alter all, or any part, of such plat, and adjudge the title to all*

streets, alleys, and public grounds to be in the persons entitled thereto; but streets or alleys connecting separate plats or lying between blocks or lots, shall not be vacated between such lots, blocks, or plats as are not also vacated, unless it appears that the street or alley or part thereof sought to be vacated is useless for the purpose for which it was laid out. The petitioner shall cause two weeks published and posted notice of such application to be given, the last publication to be at least ten days before the term at which it shall be heard; and the petitioner shall also serve personally, or cause to be served personally, notice of such application, at least ten days before the term at which the application shall be heard, upon the mayor of the city, the president of the statutory city, or the chairman of the town board of the town where such land is situated. The court shall hear all persons owning or occupying land that would be affected by the proposed vacation, and if, in the judgment of the court, the same would be damaged, the court may determine the amount of such damage and direct its payment by the applicant before the vacation or alteration shall take effect. A certified copy of the order of the court shall be filed with the county auditor, and recorded by the county recorder. The district court shall not vacate or alter any street, alley, or public ground dedicated to the public use in or by any such plat in any city or town organized under a charter or special law which provides a method of procedure for the vacation of streets and public grounds by the municipal authorities of such city or town.

Subd. 2. [VACATION BY MUNICIPALITY.] A municipality acting pursuant to section 462.358, subdivision 3c, shall make application to the district court to vacate all plats of lands to which the municipality has applied its subdivision regulations. The municipality shall cause notice to be personally served upon the owner and lien holders of any interest in the lands to which the subdivision regulations have been applied in lieu of the notice to the governmental officials required by subdivision 1.

Sec. 20. Minnesota Statutes 1978, Sections 462.352, Subdivision 4; and 462.358, Subdivisions 1, 2, 3 and 4, are repealed."

Amend the title as follows:

Page 1, line 7, after the second semicolon, insert "462.36, Subdivision 1; 505.14;"

Page 1, line 8, delete "Section" and insert "Sections 462.352, Subdivision 4; and"

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

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1707, 1921, 1615, 1708, 1892, 1796, 1716, 1613, 1811, 1751, 1541, 2095, 1732 and 1903 makes the following report:

That the above Senate Files, with the exception of S. F. No. 1921, be placed on the General Orders Calendar in the order indicated.

That S. F. No. 1921 is being retained in the Subcommittee.

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

SECOND READING OF SENATE BILLS

S. F. Nos. 1837, 2040, 2102, 2131, 1581, 1588, 978, 1818, 1536, 1358, 1700, 1662, 1493, 1579, 2122, 1188, 1889, 1187, 1937, 1810, 1798, 1797, 2110, 1679, 2090, 1957, 657, 1731, 1785, 1979, 1995, 1633, 769, 1825, 1985, 1076, 1922, 1813, 2077, 1900, 2104, 1703, 2067 and 1322 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 874 and 1453 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mrs. Staples moved that the name of Mr. Lewis be stricken and Mr. Stern be added as co-author to S. F. No. 723. The motion prevailed.

Mr. Davies moved that the names of Mrs. Brataas, Messrs. Hanson, Johnson and Ulland, J. be added as co-authors to S. F. No. 1398. The motion prevailed.

Mr. Solon moved that the name of Mr. Perpich be added as co-author to S. F. No. 1449. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Knoll be added as co-author to S. F. No. 1459. The motion prevailed.

Mr. Davies moved that the name of Mr. Strand be added as chief author to S. F. No. 1644. The motion prevailed.

Mr. Nichols moved that the name of Mr. Stumpf be added as co-author to S. F. No. 1737. The motion prevailed.

Mr. Merriam moved that the name of Mr. Ulland, J. be added as co-author to S. F. No. 1789. The motion prevailed.

Mr. Laufenburger moved that his name be stricken and Mr. Nichols be added as co-author to S. F. No. 1840. The motion prevailed.

Mr. Sieloff moved that the name of Mr. Merriam be added as co-author to S. F. No. 1865. The motion prevailed.

Mr. Ueland, A. moved that the names of Messrs. Chmielewski and Olson be added as co-authors to S. F. No. 1977. The motion prevailed.

Mr. Sikorski moved that the name of Mr. Ulland, J. be added as co-author to S. F. No. 2046. The motion prevailed.

Mr. Hanson moved that the name of Mr. Johnson be added as co-author to S. F. No. 2227. The motion prevailed.

Mr. Setzepfandt moved that the name of Mr. Menning be added as co-author to S. F. No. 2249. The motion prevailed.

Mr. Peterson introduced—

Senate Resolution No. 48: A Senate resolution relating to extending congratulations to Janet Karvonen who on Monday, February 25, 1980, set a new state high school record for most points scored in a career.

Referred to the Committee on Rules and Administration.

Mr. Dieterich moved that S. F. No. 2169 be withdrawn from the Committee on Governmental Operations and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Laufenburger, from the Committee on Mileage, moved to amend the report of the Committee on Mileage found in the Journal for Tuesday, January 23, 1979 on pages 112-114 and January 22, 1980 as follows:

On page 113 delete: "Schrom, Ed 191"

On page 113 after "Olson" insert: "*Omann, Ben 183*"

The motion prevailed.

Mr. Keefe, S. moved that S. F. No. 1581 be withdrawn from the Subcommittee on Bill Scheduling and re-referred to the Committee on Finance. The motion prevailed.

CONFIRMATION

Mr. Wegener moved that the report from the Committee on Local Government, reported March 3, 1980, pertaining to appointments, be taken from the table. The motion prevailed.

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

Mr. Wegener moved that in accordance with the report from the Committee on Local Government, reported March 3, 1980, the Senate, having given its advice, do now consent to and confirm the appointment of:

MINNESOTA MUNICIPAL BOARD

Robert J. Ferderer, 440 East Hoyt Street, St. Paul, Ramsey County, effective August 31, 1979, for a term expiring June 30, 1985.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Anderson moved that the report from the Committee on Energy and Housing, reported March 3, 1980, pertaining to appointments, be taken from the table. The motion prevailed.

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

Mr. Anderson moved that in accordance with the report from the Committee on Energy and Housing, reported March 3, 1980, the Senate, having given its advice, do now consent to and confirm the appointments of:

MINNESOTA HOUSING FINANCE AGENCY

Shirley Van Dyck, Route 2, Box 30, Cass Lake, Cass County, effective January 7, 1980, for a term expiring the first Monday in January, 1984.

Robert A. Worthington, 10326 Colorado Road, Bloomington, Hennepin County, effective March 30, 1979, for a term expiring the first Monday in January, 1983.

The motion prevailed. So the appointments were confirmed.

CALENDAR

S. F. No. 507: A bill for an act relating to taxation; providing for a levy apportionment for certain jurisdictions upon an assessment level differential greater than five percent; amending Minnesota Statutes 1978, Section 270.12, Subdivision 3.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S. F. No. 1728: A bill for an act relating to witnesses; exempting parents and minors from testifying with respect to confidential communications made by the minor to parent; amending Minnesota Statutes 1978, Section 595.02.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 35 and nays 29, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Lessard	Penny	Solon
Barrette	Hughes	Luther	Perpich	Spear
Coleman	Johnson	Merriam	Peterson	Staples
Davies	Keefe, S.	Moe	Purfeerst	Stern
Dieterich	Kleinbaum	Nelson	Schaaf	Stumpf
Dunn	Knoll	Olhoff	Setzepfandt	Tennessen
Gearty	Knutson	Olson	Sikorski	Wegener

Those who voted in the negative were:

Ashbach	Engler	Knaak	Omann	Sillers
Bang	Frederick	Laufenburger	Pillsbury	Strand
Benedict	Gunderson	McCutcheon	Renneke	Ueland, A.
Bernhagen	Jensen	Menning	Rued	Ulland, J.
Brataas	Keefe, J.	Nichols	Schmitz	Willet
Chmielewski	Kirchner	Ogdahl	Sieloff	

So the bill passed and its title was agreed to.

S. F. No. 523: A bill for an act relating to highway traffic regulations; limiting the length of certain vehicles and combinations of vehicles; prescribing a fee for certain permits; amending Minnesota Statutes 1978, Section 169.81, Subdivision 3, and by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 4, as follows:

Those who voted in the affirmative were:

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

Messrs. Davies, Dieterich, Spear and Tennessen voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1709: A bill for an act relating to corrections; providing for licensing of correctional facilities; regulating inmate

earnings; providing for the investment of money in the correctional industries revolving account; authorizing the commissioner of corrections to amend 11 MCAR, Sections 2.402 to 2.403; amending Minnesota Statutes 1978, Sections 241.021, Subdivision 1; 243.24, Subdivision 1; 243.88, Subdivision 2; and Minnesota Statutes, 1979 Supplement, Section 241.27, Subdivision 2.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S. F. No. 1789: A bill for an act relating to taxation; estate tax; making technical adjustments and clarifying certain provisions; amending Minnesota Statutes 1978, Sections 290.077, Subdivision 4; 291.07, Subdivision 3; 291.111, Subdivision 2; 291.15; 291.18; 291.32, Subdivision 1; 291.33, by adding a subdivision; 501.211, Subdivision 3, and by adding a subdivision; 524.3-505; 524.3-1003; 525.532, Subdivision 3; and Minnesota Statutes, 1979 Supplement, Sections 290.01, Subdivision 20; 290.14; 291.005, Subdivision 1; 291.01; 291.015; 291.03; 291.05; 291.051; 291.06; 291.07, Subdivision 1; 291.075; 291.09, Subdivisions 1a and 4a; 291.11, Subdivision 1; 291.132; 291.14; 291.215, Subdivision 1; 291.33, Subdivision 1; 291.48; 524.3-105; and 524.3-1001; repealing Minnesota Statutes 1978, Sections 291.17; 291.19, Subdivisions 1, 2 and 4; 291.20, Subdivision 4; and Minnesota Statutes, 1979 Supplement, Sections 291.111, Subdivision 1; and 291.19, Subdivision 3.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Barrette	Brataas	Davies	Engler
Ashbach	Benedict	Chmielewski	Dieterich	Frederick
Bang	Bernhagen	Coleman	Dunn	Gunderson

Hanson	Knutson	Ogdahl	Rued	Stern
Hughes	Laufenburger	Olhoff	Schaaf	Strand
Jensen	Lessard	Olson	Schmitz	Stumpf
Johnson	Luther	Omann	Setzepfandt	Tennessen
Keefe, J.	McCutcheon	Penny	Sieloff	Ueland, A.
Keefe, S.	Menning	Perpich	Sikorski	Ulland, J.
Kirchner	Merriam	Peterson	Sillers	Wegener
Kleinbaum	Moe	Pillsbury	Solon	Willet
Knaak	Nelson	Purfeerst	Spear	
Knoll	Nichols	Renneke	Staples	

So the bill passed and its title was agreed to.

S. F. No. 1734: A bill for an act relating to agriculture; re-naming the livestock sanitary board; repealing obsolete language; regulating treatment of diseased animals; eliminating certain local boards; providing a penalty; amending Minnesota Statutes 1978, Sections 17A.04, Subdivision 6; 29.051; 29.061; 29.081; 35.01, Subdivisions 1 and 2; 35.02, Subdivision 1; 35.03; 35.05; 35.06; 35.063; 35.065; 35.08; 35.09; 35.10; 35.11; 35.12; 35.13; 35.15; 35.16; 35.245; 35.67; 35.68; 35.695; 35.70, Subdivisions 1, 3 and 4; 35.71, Subdivisions 3 and 7; 35.81; 35.82; 35.822; 35.830; 35.831; 346.26; 347.32; 347.33; 347.34; 347.35; 347.37; 347.38; and 347.39; repealing Minnesota Statutes 1978, Sections 35.01, Subdivisions 3, 4, 5, 6 and 7; 35.07; 35.131; 35.132; 35.133; 35.134; 35.135; 35.136; 35.137; 35.17; 35.18; 35.19; 35.20; 35.21; 35.22; 35.23; 35.24; 35.25; 35.26; 35.27; 35.28; 35.29; 35.30; 35.31; 35.32; 35.33; 35.34; 35.35; 35.40; 35.41; 35.42; 35.43; 35.44; 35.45; 35.46; 35.47; 35.48; 35.49; 35.50; 35.51; 35.55; 35.56; 35.57; 35.58; 35.60; 35.605; 35.70, Subdivisions 2, 5, 6 and 8; 35.73, Subdivision 2; and 35.821, Subdivision 2.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S. F. No. 1842: A bill for an act relating to agriculture; requiring denaturing and labeling of certain foods; adopting certain federal food regulations; striking certain obsolete language; changing certain procedures; amending Minnesota Statutes 1978, Sections

31.02; and 218.041, Subdivisions 3 and 4; and Minnesota Statutes, 1979 Supplement, Section 31.101, Subdivision 8; and 231.01, Subdivision 5.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S. F. No. 1802: A bill for an act relating to foreign corporations; removing certain deficiencies and ambiguities; defining certain activities that do not constitute transacting business in the state; and removing limitations on engaging in the business of making real estate loans; amending Minnesota Statutes 1978, Sections 303.02, Subdivision 3; 303.03; 303.04; and 303.25.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S. F. No. 1605: A bill for an act relating to elections; providing for a place on tax forms to indicate a desire not to allocate state

money to finance election campaigns; amending Minnesota Statutes 1978, Section 10A.31, Subdivision 3.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Keefe, S. voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 407: A bill for an act relating to regional development commissions; requiring a report on the commission's effectiveness; providing procedures for terminating commissions; amending Minnesota Statutes 1978, Section 462.393; and Chapter 462, by adding a section.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 3, as follows:

Those who voted in the affirmative were:

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

Messrs. Dieterich; Keefe, S. and Merriam voted in the negative.

So the bill passed and its title was agreed to.

GENERAL ORDERS

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

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

S. F. Nos. 1759, 1653 and 1725, which the committee recommends to pass.

S. F. No. 1573, which the committee recommends to pass with the following amendment offered by Mr. McCutcheon:

Page 1, line 9, delete "located in the area,"

Page 1, delete line 10

Page 1, line 11, delete "Subdivision 2,"

Amend the title as follows:

Page 1, line 2, delete "certain"

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.

MOTIONS AND RESOLUTIONS—CONTINUED

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

Patrick E. Flahaven, Secretary of the Senate