

EIGHTY-FIRST DAY

St. Paul, Minnesota, Thursday, March 4, 1982

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

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Jim McGowan.

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

Ashbach	Dieterich	Langseth	Peterson, D.L.	Stern
Bang	Engler	Lantry	Peterson, R.W.	Stokowski
Belanger	Frank	Lessard	Petty	Stumpf
Benson	Frederick	Lindgren	Pillsbury	Taylor
Berg	Frederickson	Luther	Purfeerst	Tennesen
Berglin	Hanson	Menning	Ramstad	Ulland
Bernhagen	Hughes	Merriam	Renneke	Vega
Bertram	Humphrey	Moe, D.M.	Rued	Waldorf
Brataas	Johnson	Moe, R.D.	Schmitz	Wegener
Chmielewski	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	Spear	

The President declared a quorum present.

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

MEMBERS EXCUSED

Mr. Keefe was excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

February 26, 1982

The Honorable Jack Davies
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, Senate File No. 429.

Sincerely,

Albert H. Quie, Governor

February 26, 1982

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1982 Session of the State Legislature has been received from the Office of the Governor and is 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 1982	Date Filed 1982
429		379	February 26	February 26

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 Files, herewith returned: S.F. Nos. 1455, 1567, 1673, 2103, 1547 and 1727.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 3, 1982

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1365, 1652 and 1817.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 3, 1982

FIRST READING OF HOUSE BILLS

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

H.F. No. 1365: A bill for an act relating to cities; authorizing city rehabilitation loan programs for small and medium sized commercial buildings; and providing for the issuance of revenue bonds to finance the programs; authorizing a housing and commercial rehabilitation interest reduction program; amending Minnesota Statutes 1980, Sections 462.421, Subdivision 14; 462.445, by adding subdivisions; and 462.545, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 459.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1228.

H.F. No. 1652: A bill for an act relating to game and fish; authorizing special permits to take deer with a crossbow under certain circumstances; amending Minnesota Statutes 1980, Sections 98.48, by adding a subdivision; and 100.29, Subdivision 7.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1577, now on General Orders.

H.F. No. 1817: A bill for an act relating to transportation; adding a new route to the trunk highway system in substitution of an existing route; discontinuing and removing a route from the trunk highway system; providing for the disposal of surplus property; exempting the state transportation plan from the provisions of the administrative procedure act; requiring driver qualifications and safety requirements for certain motor carriers; regulating building movers and establishing fees; allowing expenditures from the state airports fund for educational programs to promote interest and safety in aeronautics; amending Minnesota Statutes 1980, Sections 161.41; 173.02, Subdivision 2; 174.03, Subdivisions 1 and 2; 360.015, Subdivision 2; 360.017, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 221.011, Subdivision 22; and 221.81; proposing new law coded in Minnesota Statutes, Chapter 221; repealing Minnesota Statutes 1981 Supplement, Section 161.465.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1700, now on General Orders.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 1633. The motion prevailed.

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

S.F. No. 1633: A bill for an act relating to transportation; directing the commissioner of transportation to construct a freeway along a certain route in the city of St. Paul; requiring the posting of bond in certain proceedings; amending Minnesota Statutes 1980, Section 161.1245, Subdivision 1; repealing Minnesota Statutes 1980, Section 161.1245, Subdivision 2.

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

Page 1, after line 10, insert:

“Section 1. Minnesota Statutes 1980, Section 161.117, is amended to read:
161.117 [TRUNK HIGHWAYS; ADDITIONAL ROUTES.]

There may be added by order of the commissioner of transportation to the trunk highway system a new ~~routes~~ route described as follows:

(1) Route No. 380. Beginning at a point on Route No. 390 at its intersection with Shepard Road in the city of St. Paul; thence extending in a northeasterly direction generally following along the course of Shepard Road to a point on Route No. 112; thence extending in a northeasterly direction to a point on Route No. 392 easterly of the downtown area of St. Paul; providing a connector route between Route No. 390 and Route Nos. 112 and 392;

(2) Route No. 382. Beginning at a point on Route No. 390 at its junction with Route No. 111, thence extending in a general northerly direction, ~~within~~ *generally along* the corridor of the right of way already acquired on May 31, 1975, for Route No. 390, to a point on Short Line Road; thence extending in a northeasterly direction within said corridor of right of way to the intersection of Pleasant Avenue and Kellogg Boulevard in the city of St. Paul.

Sec. 2. Minnesota Statutes 1980, Section 161.12, is amended to read:

161.12 [ADDITIONAL ROUTES ADDED TO TRUNK HIGHWAY SYSTEM.]

To take advantage of federal aid made available by the United States to the state of Minnesota for highway purposes, the following trunk highway routes are added to the trunk highway system which routes form a part of the national system of interstate and defense highways and may be referred to as the interstate system:

Route No. 390. Beginning at a point on the boundary between the states of Minnesota and Iowa, southerly of Albert Lea; thence extending in a general northeasterly direction to a point in Duluth on the boundary between the states of Minnesota and Wisconsin. Route No. 390 shall not include any portion of ~~Route No. 382 as designated by section 161.117 or any portion of any route connecting Route No. 382 to Route No. 392, nor shall it include any portion of~~ trunk highway marked No. 3 from trunk highway marked No. 110 in Dakota county to East Seventh Street in the city of St. Paul.

Route No. 391. Beginning at a point on the boundary between the states of Minnesota and South Dakota, westerly of Luverne; thence extending in a general easterly direction to a point on the boundary between the states of Minnesota and Wisconsin, near La Crescent.

Route No. 392. Beginning at a point on the boundary between the states of Minnesota and North Dakota in or near Moorhead; thence extending in a general southeasterly direction through the city of Minneapolis; thence in a general easterly direction through the city of St. Paul to a point on the boundary between the states of Minnesota and Wisconsin in or near Lakeland.

Route No. 393. Beginning at a point on Route No. 392, easterly of the city of St. Paul; thence in a general southerly and westerly direction through the city of South St. Paul; thence in a general westerly direction to a point in Eden Prairie Township, Hennepin County; thence in a general northerly direction to a point in the city of Maple Grove, Hennepin County; thence in a general easterly direction to a point on Route 390; thence in a general easterly, southeasterly and southerly direction to the point of beginning on Route No. 392, easterly of St. Paul.

Route No. 394. Beginning at a point on Route No. 390, southerly of the Minnesota River; thence extending in a general northerly and northeasterly direction through the city of Minneapolis; thence continuing in a northeasterly direction to a point on Route No. 390, near Forest Lake and there terminating.

Route No. 395. Beginning at a point on Route No. 390 at or near the intersection of Superior Street and Nineteenth Avenue West in the city of Duluth, thence extending in a northeasterly direction to a point on Route No. 103 at or near the intersection of Superior Street and Tenth Avenue East in the

city of Duluth.”

Page 1, line 14, reinstate the stricken “four-lane parkway”

Page 1, line 15, delete “four or six lane freeway” and insert “, with necessary auxiliary lanes for on and off ramps,”

Page 1, line 19, delete “freeway” and insert “parkway”

Page 1, after line 22, insert:

“Sec. 4. Minnesota Statutes 1980, Section 161.1245, is amended by adding a subdivision to read:

Subd. 2a. No connection of Route No. 382 shall be made to the Short Line Road until a full environmental impact statement is completed by the city of St. Paul to reflect the impact of such a connection.”

Page 1, line 25, delete “provisions of section 1” and insert “construction or routing of, or method of connection for, the parkway, as provided in section 3,”

Page 2, line 1, after “of” insert “losing federal aid for highway purposes due to the”

Page 2, line 2, delete “the” and insert “of applicable”

Page 2, delete section 3

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert “removing a route from the trunk highway system; changing the descriptions of certain trunk highway routes;”

Page 1, line 3, delete “freeway” and insert “parkway”

Page 1, line 4, after the semicolon insert “prohibiting a certain highway connection until a full environmental impact statement is made;”

Page 1, line 6, delete “Section” and insert “Sections 161.117; 161.12;”

Page 1, delete lines 7 and 8 and insert “1, and by adding a subdivision.”

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

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

H.F. No. 1357: A bill for an act relating to the Mountain Iron joint recreation board; regulating its tax levy.

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

Page 1, line 24, delete “the day after compliance with”

Page 2, delete line 1

Page 2, line 2, delete “governing bodies” and insert “upon approval of the voters”

Page 2, line 3, before the period, insert "*voting on the question at the 1982 general election*"

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

S.F. No. 1963: A bill for an act relating to commerce; motor vehicle sale and distribution; providing for the termination or cancellation of franchise agreements; specifying conditions that do not establish good cause for refusal to honor a succession; limiting a manufacturer's ability to withhold consent to a proposed transfer, assignment or sale of a dealership; specifying certain circumstances establishing good cause for entering into or relocating an additional franchise for the same line make; amending Minnesota Statutes 1981 Supplement, Sections 80E.07, Subdivision 1; 80E.09, Subdivision 1; 80E.10, Subdivision 5; 80E.11, Subdivision 1; 80E.13; and 80E.14, Subdivision 2.

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

Page 1, after line 17, insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 80E.03, Subdivision 8, is amended to read:

Subd. 8. [FRANCHISE.] "Franchise" means the *written* agreement or contract between any new motor vehicle manufacturer ; ~~written or otherwise~~; and any new motor vehicle dealer which grants to the dealer the right to market motor vehicles and which purports to fix the legal rights and liabilities of the parties to the agreement or contract."

Page 2, line 5, after "campaigns" insert "*or perform warranty service*"

Page 2, line 15, after "reasonable" insert "*capital, credit or*"

Page 2, line 29, after "manufacturer" insert "*, as limited in clause (f)*"

Page 3, line 7, strike everything after "(e)"

Page 3, strike lines 8 to 21

Page 3, line 22, strike everything before the semicolon and insert "*A sum equal to the current fair rental value of the dealership facilities for a period of one year from the effective date of the termination or cancellation, or the remainder of the term of the lease, whichever is less. Payment under this clause shall not be required if the termination or cancellation was for good cause based on a conviction or plea of nolo contendere of the dealer or one of its principal owners for a crime which constitutes a felony as described in section 609.02, subdivision 2, or if it has been demonstrated that the dealer has exhibited a course of conduct constituting fraud with respect to the manufacturer or the general public*"

Page 3, line 23, strike everything after "(f)"

Page 3, strike lines 24 to 29

Page 3, line 30, strike "apply" and delete the semicolon

Page 3, line 31, delete "(g)"

Page 3, line 33, after the second "dealer" insert "*, including transportation,*"

Page 3, line 34, delete "*motor vehicles, including transportation and*" and insert "*current model year motor vehicle inventory acquired from the manufacturer which has not been materially altered or substantially damaged, and all new motor vehicle inventory not of the current model year which has not been materially altered or substantially damaged provided the noncurrent model year vehicles were acquired from the manufacturer and drafted on the dealer's financing source or paid for within 120 days prior to the effective date of the termination or cancellation. The manufacturer shall reimburse the dealer for*"

Pages 4 to 7, delete sections 3 to 5 and insert:

"Sec. 4. Minnesota Statutes 1981 Supplement, Section 80E.09, Subdivision 2, is amended to read:

Subd. 2. [TIME IN WHICH PAYMENTS MUST BE MADE.] Fair and reasonable compensation shall be paid by the manufacturer when possible within 90 days of the effective date of termination or cancellation, *provided the dealer has clear title to the inventory and other items and is in a position to convey that title to the manufacturer and as long as this period will allow compliance with the notification requirements of sections 336.6-101 to 336.6-111 or any other state or federal laws relating to creditor notification.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 80E.09, Subdivision 3, is amended to read:

Subd. 3. [VOLUNTARY TERMINATIONS OR CANCELLATIONS.] For the purposes of reimbursement under this section, termination or cancellation includes a voluntary termination or cancellation by the dealer, *and the compensation provided for in subdivision 1, except clause (e) thereof, shall be paid to the dealer.*

Sec. 6. Minnesota Statutes 1981 Supplement, Section 80E.11, Subdivision 2, is amended to read:

Subd. 2. [PERSONAL AND FINANCIAL DATA.] *As soon as possible after designating a family member pursuant to this section, the dealer shall inform the manufacturer, factory branch, distributor, or importer of the designation and upon request shall provide personal and financial data that is reasonably necessary to determine whether the succession should be honored. Failure to inform the manufacturer, factory branch, distributor, or importer shall not affect the right of the designee to succeed to ownership of the dealership. At the time of serving notice under subdivision 1, the designated family member shall provide, upon the request of the manufacturer, distributor, factory branch, or importer, a current update of the personal and financial data that is reasonably necessary to determine whether the succession should be honored described above.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 80E.11, Subdivision 6, is amended to read:

Subd. 6. [BURDEN OF PROOF.] In determining whether good cause for the refusal to honor the succession exists, the manufacturer, distributor, factory branch, or importer has the burden of proving that the successor is a person

who is not of good moral character and or does not meet the franchisor's existing and reasonable standards and, considering the volume of sales and service of the new motor vehicle dealer, uniformly applied minimum business experience standards in the market area."

Page 8, after line 7, insert:

"Sec. 9. [80E.18] [NO RETROACTIVE APPLICATION.]

The provisions of chapter 80E do not apply to an action to terminate or cancel a motor vehicle franchise if the notice to terminate or cancel was given prior to May 1, 1981. An action to terminate or cancel is governed by the laws of the state of Minnesota in effect on the day notice to terminate or cancel is given.

Sec. 10. [LEGISLATIVE INTENT.]

The provisions of this act are a restatement and clarification of the legislative intent of chapter 80E and shall not be construed as a modification of existing law."

Page 8, line 9, delete "6" and insert "10"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "; specifying" and insert "and certain payments to be made by manufacturers in the event thereof;"

Page 1, delete lines 5 to 8

Page 1, line 12, after "Sections" insert "80E.03, Subdivision 8;"

Page 1, line 13, after "80E.09," delete "Subdivision 1" and insert "Subdivisions 1, 2 and 3"

Page 1, line 13, delete "80E.10, Subdivision 5;"

Page 1, line 14, delete "Subdivision 1" and insert "Subdivisions 2 and 6"

Page 1, line 14, delete "80E.13;"

Page 1, line 15, before the period, insert "; proposing new law coded in Minnesota Statutes, Chapter 80E"

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

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

S.F. No. 1931: A bill for an act relating to taxation; providing a system of levy limitations to apply to certain units of local government; amending Minnesota Statutes 1980, Section 275.51, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 275.50, Subdivisions 2 and 5, as amended; 275.51, Subdivision 4; repealing Minnesota Statutes 1981 Supplement, Sections 275.13, Subdivision 15b; and 275.51, Subdivision 3e, as amended; proposing new law coded in Minnesota Statutes, Chapter 275.

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

Page 2, line 30, delete "its" and strike "minimum required" and before "share" insert "its"

Page 3, line 14, delete everything after "15.052"

Page 3, delete lines 15 and 16

Page 3, line 17, delete the new language

Page 7, line 28, delete "the" and insert "pay the cost of acquisition or betterment of property for which bonds could have been issued pursuant to section 475.52, subdivision 1, to the extent that the acquisition or betterment was paid for with funds not obtained by the issuance of obligations of the municipality. When an amount is levied pursuant to this clause, the municipality shall be subject to the procedures for public hearings and referendums established in chapter 412 or 475 or special law, whichever is applicable, that would have applied if the municipality had issued obligations to pay for the property. Any amount levied pursuant to this clause shall be added to the net debt of the municipality for the year in which the tax is payable for the purpose of computing the limitation in section 475.53;

(v) pay the cost of conducting any election required to be held by state law except city or county elections that are not held on the first Tuesday after the first Monday in November in any year;

The"

Page 8, line 6, after "clauses" insert "(a)(5)," and after "275.52" insert "except that, for a municipality that had been exempt from the provisions of Minnesota Statutes 1980, Sections 275.50 to 275.56, but is subject to the limitations of sections 275.50 to 275.56, the hypothetical levy limit base shall be the greater of (a) the average of the municipality's levies for levy years 1977, 1978, 1979, 1980, and 1981, with the levy for each year increased according to the percentage of increase in the consumer price index for all the urban consumers for Minneapolis-St. Paul metropolitan area prepared by the United States department of labor from June of that levy year to June of 1981 or (b) the municipality's levy for levy year 1981"

Page 8, line 18, after "(c)" insert "One-half of the amount of the special levy authorized under section 275.50, subdivision 5, clause (m), shall be added to the permanent levy limit base of the governmental subdivision in the year following the year in which it has been discontinued as a special levy pursuant to the provisions of section 275.50, subdivision 5, clause (m).

(d)"

Page 10, after line 36, insert:

"Subd. 3a. [HOUSEHOLD INCREASES.] If the number of households in a governmental subdivision increases from one year to the next in a greater proportion than the population has increased during that time, the current year's levy limit base may for purposes of sections 275.50 to 275.56, be increased according to the provisions of this subdivision in lieu of the increase provided in subdivision 3. The levy limit base for the preceding levy year shall be divided by the number of households in the municipality in that previous year to obtain a levy limit base per household amount. The levy limit base per household amount shall be multiplied by the number of households in the

municipality in the current levy year to determine the amount of the base increase allowed pursuant to this subdivision. The number of households shall be determined according to the most recent decennial census, with annual increases, if any, determined for municipalities in the metropolitan area defined in section 473.121, subdivision 2, by the metropolitan council and for other municipalities according to the number of building permits for residential units issued for construction in that municipality."

Page 11, line 11, after "new" insert "or substantially expanded"

Page 11, line 15, after "assessments" insert ". For purposes of this clause, "substantially expanded services" shall mean services of a type provided prior to the enactment of the change in state law but which are required to be provided under the changed law to an extent that will increase the cost of providing that type of service by 30 percent or more"

Page 11, lines 25 and 29, delete "having statutory city powers" and insert "subject to the levy limitations of sections 275.50 to 275.58"

Page 11, line 31, delete "275.59" and insert "275.58"

Page 11, line 34, delete "having statutory powers"

Page 12, line 12, after "under" insert "clauses (a), (c), or (d) of"

Page 16, after line 35, insert:

"Sec. 9. Minnesota Statutes 1981 Supplement, Section 273.13, Subdivision 15b, as amended by Laws 1981 Third Special Session, Chapter 1, Article I, Section 2, is amended to read:

Subd. 15b. [PROPERTY TAX CREDITS LIMITATION.] The property tax subject to the 58 percent homestead credit provided by subdivisions 6, 7 and 14a, to the homestead property tax relief provided by section 273.135 and to the supplementary homestead property tax relief provided by section 273.1391, shall be based on the total mill rate of all taxing districts levying a tax on the homestead property unless the ~~payable 1982~~ total levy, excluding any amount levied pursuant to section 275.50, subdivision 5, clause (k), of a taxing district other than a ~~school district~~ or the metropolitan transit commission is more than 108 percent of its ~~payable 1981~~ total levy for the preceding year. If the ~~payable 1982~~ total current levy excluding any amount levied pursuant to section 275.50, subdivision 5, clause (k), of ~~such~~ the taxing district is more than 108 percent of its ~~payable 1981~~ total levy for the preceding year, then that total mill rate shall be based on 108 percent of the taxing district's ~~payable 1981~~ total levy for the preceding year, plus any amount levied pursuant to section 275.50, subdivision 5, clause (k), for taxes payable in 1982. The commissioner of revenue shall determine and certify to all county auditors the product of each taxing district's ~~payable 1981~~ total levy for the preceding year multiplied by 108 percent, plus any amount levied pursuant to section 275.50, subdivision 5, clause (k), for taxes payable in ~~1982~~ the current year. ~~In the event that~~ If the sum of the county auditors' certifications exceeds the amounts appropriated, the commissioner of revenue shall proportionally reduce the certification amounts so that their sum equals the appropriation.

Sec. 10. Minnesota Statutes 1981 Supplement, Section 477A.04, Subdivision 2, is amended to read:

Subd. 2. Beginning in calendar year ~~1983~~ 1984 and subsequent years, an

assessment district shall be penalized according to the following schedule:

(a) \$1 per capita if the coefficient of dispersion in assessments for the preceding year is more than ten percent but less than 12.5 percent;

(b) \$3 per capita if the coefficient of dispersion in assessments for the preceding year is at least 12.5 percent but no more than 15 percent;

(c) \$5 per capita if the coefficient of dispersion in assessments for the preceding year is greater than 15 percent."

Page 17, line 1, delete "*Sections 273.13,*"

Page 17, line 2, delete "*Subdivision 15b; and*" and insert "*Section*"

Page 17, line 4, delete "*are*" and insert "*is*"

Page 17, line 6, delete "*8 and 9*" and insert "*and 8 to 10*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "extending the date of application of the coefficient of dispersion penalty;"

Page 1, line 6, after "*Sections*" insert "*273.13, Subdivision 15b, as amended;*"

Page 1, line 7, delete "*repealing*" and insert "*477A.04, Subdivision 2;*"

Page 1, delete lines 8 and 9

Page 1, line 10, delete "*amended;*"

Page 1, line 11, before the period, insert "*; repealing Minnesota Statutes 1981 Supplement, Section 275.51, Subdivision 3e, as amended*"

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

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

S.F. No. 1682: A bill for an act relating to local government; permitting various leases and installment purchases of equipment; providing for their tax and fiscal treatment; amending Minnesota Statutes 1980, Sections 168.012, by adding a subdivision; 297B.03; and 465.71; Minnesota Statutes 1981 Supplement, Section 297A.25, Subdivision 1.

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

Page 9, line 26, after "*CITIES*" insert "*; COUNTIES AND SCHOOL DISTRICTS*"

Page 9, line 27, delete "*or*" and insert a comma

Page 9, line 28, after "*city*" insert "*, county or school district*"

Page 9, line 29, delete "*real or*"

Page 9, line 35, after the period, insert "*For purposes of the bid requirements contained in section 471.345, 'the amount of the contract' shall include the total of all lease payments for the entire term of the lease under a*

lease-purchase agreement."

Page 10, line 4, after "city" insert " , county or school district"

Page 10, line 6, delete "As provided by"

Page 10, delete lines 7 to 10

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

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

S.F. No. 1738: A bill for an act relating to crimes; prohibiting possession of obscene works appealing to pedophiles; prescribing penalties; amending Minnesota Statutes 1980, Section 617.246, by adding a subdivision.

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 1980, Section 617.246, Subdivision 4, is amended to read:

Subd. 4. [DISSEMINATION.] A person who, knowing its content and character, disseminates for profit an obscene work, as defined in this section, is guilty of a ~~misdemeanor~~ felony.

Sec. 2. [617.247] [POSSESSION OF OBSCENE PICTORIAL REPRESENTATIONS OF MINORS.]

Subdivision 1. [POLICY; PURPOSE.] It is the policy of the legislature in enacting this section to protect minors from the physical and psychological damage caused by their being used in obscene photographic representations. It is therefore the intent of the legislature to penalize possession of obscene photographic representations in order to protect the identity of minors who are victimized by involvement in obscene photographic representations, and to protect minors from future involvement in obscene photographic representations.

Subd. 2. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given them:

(a) "Photographic representation" means an original or reproduction of a film, videotape, photograph, negative, or slide.

(b) "Obscene" means that the work, taken as a whole, appeals to pedophiles or to the prurient interest in sex of the average person, which portrays patently offensive sexual conduct and which, taken as a whole, does not have serious literary, artistic, political, or scientific value. In order to determine that a work is obscene, the trier of fact must find: (i) that the average person, applying contemporary community standards would find that the work, taken as a whole, appeals to pedophiles or to the prurient interest in sex of the average person; and (ii) that the work depicts patently offensive sexual conduct specifically defined by clause (c); and (iii) that the work, taken as a whole, lacks serious literary, artistic, political, or scientific value.

(c) "Patently offensive sexual conduct" includes any of the following depicted sexual conduct if the depiction involves a minor:

(i) *An act of sexual intercourse, normal or perverted, actual or simulated, including genital-genital, anal-genital, or oral-genital intercourse, whether between human beings or between a human being and an animal.*

(ii) *Sadomasochistic abuse, meaning flagellation or torture by or upon a person who is nude or clad in undergarments or in a revealing costume or the condition of being fettered, bound, or otherwise physically restricted on the part of one so clothed.*

(iii) *Masturbation or lewd exhibitions of the genitals including any explicit, close-up representation of a human genital organ.*

(iv) *Physical contact or simulated physical contact with the clothed or unclothed pubic areas or buttocks of a human male or female, or the breasts of the female, whether alone or between members of the same or opposite sex or between humans and animals in an act of apparent sexual stimulation or gratification.*

Subd. 3. [DISSEMINATION PROHIBITED.] A person who disseminates an obscene photographic representation of a minor, knowing or with reason to know its content and character and that an actual minor is an actor or photographic subject in it, is guilty of a gross misdemeanor.

Subd. 4. [POSSESSION PROHIBITED.] A person who has in possession an obscene photographic representation of a minor, knowing or with reason to know its content and character and that an actual minor is an actor or photographic subject in it, is guilty of a misdemeanor.

Subd. 5. [EXCEPTION.] This section does not apply to law enforcement officers, court personnel, licensed physicians and psychologists, and attorneys in the performance of their official duties.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective May 1, 1982, and apply to offenses committed on or after that date."

Amend the title as follows:

Page 1, line 4, delete "by"

Page 1, line 5, delete "adding a subdivision" and insert "Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 617"

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

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

H.F. No. 534: A bill for an act relating to the collection and dissemination of data; administration of the state archives and state and local government records; classifying data; providing a penalty; amending Minnesota Statutes 1980, Sections 15.17; 138.161; 138.17, Subdivisions 1, 6, 7, and by adding subdivisions; 138.19; 138.20; 138.21; proposing new law coded in Minnesota Statutes, Chapter 138; repealing Minnesota Statutes 1980, Sections 16.66 and 138.18.

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

Page 2, line 3, strike the comma and insert "and"

Page 2, line 5, strike "make and"

Page 2, line 8, delete "of them"

Page 2, line 8, strike "and" and insert "of them. He"

Page 2, line 10, strike "the same" and insert "they"

Page 2, line 30, strike "the" and insert "its"

Page 2, line 31, delete "of it"

Page 3, lines 30 to 32, delete the new language

Page 3, line 32, strike the period

Page 4, line 14, strike "may make an"

Page 4, line 16, delete "of them"

Page 4, line 16, strike ", and" and insert "of them. It"

Page 4, line 18, strike "the same" and insert "they"

Page 5, line 19, strike "Not included within"

Page 5, line 20, strike "the definition of"

Page 5, line 20, strike "as used in this chapter are" and insert "excludes"

Page 6, delete lines 3 to 35 and insert:

"Subd. 1a. [RECORDS INSPECTION.] Government records which a state agency, political subdivision, or statewide system lists on a records disposition application or records schedule, or on which archival assistance or advice is requested, may be inspected by state archives' employees if state archives gives prior notice. Employees of the archives shall have access to the records for the purpose of determining the historical or other continuing value of the records, regardless of the records' classification pursuant to sections 15.1611 to 15.1699. Employees of the archives shall be liable to the penalties set forth for improper disclosure by them of private, confidential, nonpublic, or protected nonpublic data inspected for this purpose.

Sec. 5. Minnesota Statutes 1980, Section 138.17, is amended by adding a subdivision to read:

Subd. 1b. [TRANSFER PROCESS.] After July 1, 1982, all records deemed to be of continuing value and authorized for transfer to the archives by the records disposition panel shall be retained by the requesting agency or may be transferred to the archives in accordance with section 3, notwithstanding the provisions of sections 15.1611 to 15.1699. The responsible authority of the state agency, political subdivision, or statewide system transferring records to the archives shall notify the archivist or his designee with regard to the records transferred of the classification of the records pursuant to sections 15.1611 to 15.1699.

Sec. 6. Minnesota Statutes 1980, Section 138.17, is amended by adding a subdivision to read:

Subd. 1d. [ACCESS TO ARCHIVES RECORDS.] (a) All records trans-

ferred to the archives shall be accessible to the public unless the archives determines that the information:

(1) Was compiled for law enforcement purposes and disclosure would (i) materially impair the effectiveness of an ongoing investigation, criminal intelligence operation, or law enforcement proceeding; (ii) identify a confidential informant; (iii) reveal confidential investigative techniques or procedures, including criminal intelligence activity; or (iv) endanger the life of an individual;

(2) Is administrative or technical information, including software, operating protocols, employee manuals, or other information, the disclosure of which would jeopardize the security of a record keeping system;

(3) Is proprietary information, including computer programs and software and other types of information manufactured or marketed by persons under exclusive legal right, owned by the agency or entrusted to it;

(4) Contains trade secrets or confidential commercial and financial information obtained, upon request, from a person;

(5) Is library, archival, or museum material contributed by private persons to the extent of any lawful limitation imposed upon the material; or

(6) Disclosure would constitute a clearly unwarranted invasion of personal privacy. Disclosure of an individually identifiable record does not constitute a clearly unwarranted invasion of personal privacy if the public interest in disclosure outweighs the privacy interest of the individual.

(b) The society may"

Page 7, line 27, after "to" insert "(1)"

Page 7, line 29, strike "to" and insert "(2)"

Page 7, line 30, strike "to" and insert "(3)"

Page 9, delete line 24

Page 9, line 32, delete "gross"

Page 10, line 7, delete "13" and insert "14" and delete "1981" and insert "1982"

Renumber the sections in sequence

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

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

H.F. No. 1523: A bill for an act relating to driver licensing; allowing certain reports to be made to the commissioner of public safety; proposing new law coded in Minnesota Statutes, Chapter 171.

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

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

H.F. No. 1283: A bill for an act relating to crimes; lengthening the statute of limitations for prosecutions for certain crimes; amending Minnesota Statutes

1980, Section 628.26.

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

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

S.F. No. 1686: A bill for an act relating to courts; authorizing courts to obtain the presence of persons confined in state institutions for court appearances; proposing new law coded in Minnesota Statutes, Chapter 589.

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

Delete everything after the enacting clause and insert:

“Section 1. [589.35] [RELEASE OF INSTITUTIONALIZED PERSONS FOR JUDICIAL PURPOSES.]

Subdivision 1. [ORDER.] Except as provided in chapters 589 and 590, any court requiring the appearance of a person confined in a state correctional facility, mental hospital, or other institution after criminal conviction, civil commitment, or pursuant to court order, may order the confining institution to release the person into the temporary custody of the court. The order shall specify:

(a) The reason for the person's appearance;

(b) To whom the confined person may be released; and

(c) The date and time of the release.

Subd. 2. [COSTS.] The court shall, without any cost to the releasing institution, determine and implement a cost effective and convenient method for obtaining the person's appearance, including requiring the parties to the proceedings to pay all or a part of the costs as otherwise provided by law.

Subd. 3. [COMPLIANCE.] Upon receipt of a court order for release under this section, the chief executive officer of the confining institution shall take appropriate steps to comply with the order in a manner which is consistent with public safety.”

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

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

H.F. No. 560: A bill for an act relating to courts; costs and disbursements; authorizing the awarding of attorney's fees in certain actions or proceedings; amending Minnesota Statutes 1980, Section 549.21.

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

Page 1, line 11, delete “Subdivision 1.”

Page 1, line 16, delete “brought a frivolous” and insert “asserted a”

Page 1, line 17, before the semicolon, insert “knowing it to be frivolous”

Page 1, line 17, delete “for”

Page 1, line 18, delete everything before “to”

Page 1, line 19, before the semicolon, insert "or to harrass"

Page 2, delete lines 5 to 10 and insert:

"Sec. 2. [604.06] [FIREMAN'S RULE.]

The common law doctrine known as the fireman's rule shall not operate to deny any peace officer, as defined in section 626.84, subdivision 1, clause (c), a recovery in any action at law or authorized by statute."

Amend the title as follows:

Page 1, line 2, delete "costs and disbursements;"

Page 1, line 3, after "of" insert "costs, disbursements, and"

Page 1, line 4, after the semicolon, insert "restoring a right of action for law enforcement officers;"

Page 1, line 5, before the period, insert "; proposing new law coded in Minnesota Statutes, Chapter 604"

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

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

S.F. No. 648: A bill for an act relating to marriage dissolution; adopting the revised uniform reciprocal enforcement of support act; proposing new law coded as Minnesota Statutes, Chapter 518C; repealing Minnesota Statutes 1980, Sections 518.41 to 518.53.

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

Page 1, lines 10 and 15, delete "37" and insert "36"

Page 2, line 3, delete "37" and insert "36"

Page 3, lines 13, 19, 23, and 25, delete "37" and insert "36"

Page 4, lines 16, 20, and 31, delete "37" and insert "36"

Pages 5 and 6, delete section 12

Page 7, line 22, delete "37" and insert "36"

Page 8, lines 12, 17, and 32, delete "37" and insert "36"

Page 8, line 21, delete "19" and insert "18"

Page 9, line 34, delete "37" and insert "36"

Page 10, lines 14 and 25, delete "37" and insert "36"

Page 11, lines 1 and 6, delete "23 to 26" and insert "22 to 25"

Page 11, line 22, delete "37" and insert "36"

Page 12, line 29, delete "37" and insert "36"

Page 13, lines 10 and 34, delete "37" and insert "36"

Page 13, line 18, delete "29" and insert "28"

Page 14, lines 12 and 33, delete "37" and insert "36"

Page 15, line 23, delete "37" and insert "36"

Page 15, line 25, delete "25" and insert "24"

Page 16, lines 4 and 8, delete "37" and insert "36"

Renumber the sections in sequence

Renumber the proposed coding in sequence

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

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

S.F. No. 1600: A bill for an act relating to juveniles; providing for termination of jurisdiction over juveniles; providing for the apprehension of juvenile absconders and escapees; amending Minnesota Statutes 1980, Sections 242.19; 260.181, Subdivision 4; and Minnesota Statutes 1981 Supplement, Section 242.44.

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

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 1980, Section 4.12, is amended by adding a subdivision to read:

Subd. 9. [JUVENILE JUSTICE.] The governor shall designate the department of energy, planning, and development as the sole agency responsible for supervising the preparation and administration of the state plan for juvenile justice required by the Juvenile Justice and Delinquency Prevention Act of 1974, as amended.

The governor shall designate the Juvenile Justice Advisory Committee as the supervisory board for the department of energy, planning and development with respect to preparation and administration of the state plan and award of grants.

The governor shall appoint members to the Juvenile Justice Advisory Committee in accordance with the membership requirements of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended."

Page 1, line 19, strike "and such facilities" and insert ", which"

Page 1, line 19, strike "such persons so"

Page 1, line 20, strike "committed to"

Page 1, line 24, strike "such"

Page 2, line 6, strike "such"

Page 2, line 17, after "foster" insert "care"

Page 2, line 18, strike "such" and insert "the"

Page 2, lines 26 and 30, delete "child" and insert "person"

Page 3, line 7, strike everything after the comma

Page 3, line 8, strike everything before "suitable" and insert "may provide

education”

Page 3, after line 22, insert:

“Sec. 5. [EFFECTIVE DATE.]

Section 1 is effective on July 1, 1982.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert “designating a juvenile justice agency;”

Page 1, line 6, delete “and”

Page 1, line 7, delete “Section” and insert “Sections 4.12, by adding a subdivision; and”

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

Senate Resolution No. 76: A Senate resolution proclaiming the week of March 14 to 20, 1982, to be Older Workers Week.

Reports the same back with the recommendation that the resolution be adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2077 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2077	2136				

and that the above Senate File be indefinitely postponed.

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1720 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1720	1568				

and that the above Senate File be indefinitely postponed.

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2134 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F.No.	S.F.No.
2134	2155				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2134 be amended as follows:

Page 1, line 14, strike "any" and insert "a" in both instances

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

Page 1, line 22, strike "and such" and insert "The"

Page 1, line 23, strike "6, or"

Page 1, line 24, strike "otherwise" and insert "5a. The licenses shall authorize sales on all days of the week"

Page 2, line 1, delete "except that notwithstanding"

Page 2, delete line 2

Page 2, line 3, delete everything before the period

Page 2, line 3, strike "Any" and insert "A"

Page 2, line 5, strike "such" and insert "the"

Page 2, line 6, strike "such" and insert "the"

Page 2, line 9, delete "following" and insert "after"

And when so amended H.F. No. 2134 will be identical to S.F. No. 2155, and further recommends that H.F. No. 2134 be given its second reading and substituted for S.F. No. 2155, and that the Senate File be indefinitely postponed.

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1804 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F.No.	S.F.No.
1804	1819				

Pursuant to Rule 49, the Committee on Rules and Administration recom-

mends that H.F. No. 1804 be amended as follows:

Page 1, line 7, delete "EXEMPTION" and insert "APPLICATION"

Page 1, line 8, delete "*Minnesota Statutes, Chapter 344 does not apply*" and insert "*This chapter applies only*"

Page 1, line 10, delete everything before the period and insert "*in excess of 20 acres*"

Page 1, line 12, delete "*governing body*" and insert "*town board*"

Page 1, line 14, delete "*chapter 344*" and insert "*this chapter*"

Page 1, line 16, delete "*governing body*" and insert "*town board*"

Page 1, line 18, delete "*governing body*" and insert "*town board*"

Page 1, line 18, delete "*such*" and insert "*the adoption of*"

Page 1, line 19, delete "*voters*" and insert "*electors*"

Page 1, line 19, delete "*a*" and insert "*an annual or special*"

Page 1, line 20, after "*meeting*" delete everything before the period

Page 1, line 21, delete "*Chapter 344 governs*" and insert "*This chapter applies to*"

And when so amended H.F. No. 1804 will be identical to S.F. No. 1819, and further recommends that H.F. No. 1804 be given its second reading and substituted for S.F. No. 1819, and that the Senate File be indefinitely postponed.

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2098 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F.No.	S.F.No.
2098	1709				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2098 be amended as follows:

Page 1, line 11, after "*who*" insert "*was given a leave of absence to enter military service and who returned to teaching service upon discharge from military service as provided in section 192.262, and who*"

Page 1, line 12, delete "*pursuant to*" and insert "*in*"

Page 1, line 15, after "*1958*" insert a comma; and after "*1973*" insert a comma

Page 1, line 16, delete "*pursuant to*" and insert "*in*"

Page 1, line 17, after "*1964*" insert a comma

Page 3, line 12, delete "*For the provisions of section 3,*"

Page 3, delete lines 16 and 17

Amend the title as follows:

Page 1, line 3, delete "extending the time limit for" and insert "authorizing"

And when so amended H.F. No. 2098 will be identical to S.F. No. 1709, and further recommends that H.F. No. 2098 be given its second reading and substituted for S.F. No. 1709, and that the Senate File be indefinitely postponed.

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1234 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F.No.	S.F.No.
1234	1274				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1234 be amended as follows:

Amend the title as follows:

Page 1, line 3, before "hospital" insert "clarifying certain"

And when so amended H.F. No. 1234 will be identical to S.F. No. 1274, and further recommends that H.F. No. 1234 be given its second reading and substituted for S.F. No. 1274, and that the Senate File be indefinitely postponed.

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2050 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F.No.	S.F.No.
2050	1755				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2050 be amended as follows:

Page 2, line 16, delete "*that*" and insert "*of*"

Page 2, line 17, delete "*or given*"

And when so amended H.F. No. 2050 will be identical to S.F. No. 1755, and further recommends that H.F. No. 2050 be given its second reading and substituted for S.F. No. 1755, and that the Senate File be indefinitely postponed.

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1735 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F.No.	S.F.No.
1735	1639				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1735 be amended as follows:

Page 3, line 8, delete "163" and insert "153"

Page 4, line 4, delete "163" and insert "153"

And when so amended H.F. No. 1735 will be identical to S.F. No. 1639, and further recommends that H.F. No. 1735 be given its second reading and substituted for S.F. No. 1639, and that the Senate File be indefinitely postponed.

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1697 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F.No.	S.F.No.
1697	1628				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1697 be amended as follows:

Page 2, line 5, before "sections" insert "Minnesota Statutes,"

Page 2, line 12, before "sections" insert "Minnesota Statutes,"

Page 4, line 16, before "sections" insert "Minnesota Statutes,"

Page 4 line 17, after "423.392" insert a comma

Page 4, line 21, before "section" insert "Minnesota Statutes,"

Page 4, line 21, after "645.021" insert a comma

Page 4, line 22, delete "Section" and insert "Sections"

Page 4, line 25, before "section" insert "Minnesota Statutes,"

Page 4, line 33, delete "DATES" and insert "DATE"

Page 5, line 1, before "section" insert "*Minnesota Statutes*,"

Page 5, line 3, before "section" insert "*Minnesota Statutes*,"

Amend the title as follows:

Page 1, line 6, after "fund;" insert "Virginia police relief association;"

Page 1, line 6, delete the comma and insert a semicolon

Page 1, line 8, delete the comma and insert a semicolon

Page 1, line 9, delete the comma and insert a semicolon

Page 1, line 10, delete the comma and insert a semicolon

Page 1, line 11, delete "and"

Page 1, line 11, delete "by the Virginia police"

Page 1, line 12, delete "relief association"

And when so amended H.F. No. 1697 will be identical to S.F. No. 1628, and further recommends that H.F. No. 1697 be given its second reading and substituted for S.F. No. 1628, and that the Senate File be indefinitely postponed.

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

SECOND READING OF SENATE BILLS

S.F. Nos. 1963, 1931, 1682, 1738, 1686, 648 and 1600 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 534, 1523, 1283, 560, 2077, 1720, 2134, 1804, 2098, 1234, 2050, 1735 and 1697 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Solon moved that the names of Messrs. Lindgren, Stern, Waldorf and Sikorski be added as co-authors to S.F. No. 1794. The motion prevailed.

Ms. Berglin moved that the name of Mr. Sikorski be added as a co-author to S.F. No. 1910. The motion prevailed.

Mr. Ulland moved that the name of Mr. Dahl be added as a co-author to S.F. No. 2194. The motion prevailed.

Messrs. Merriam, Setzepfandt and Bertram introduced—

Senate Resolution No. 78: A Senate resolution proclaiming March 18, 1982, to be "Agriculture Day" in Minnesota.

WHEREAS, Minnesota is among the nation's leading states in agricultural production and cash receipts from agricultural products and livestock; and,

WHEREAS, agriculture and its related industries provide approximately one-third of the state's employment opportunities and forty percent of the gross state product; and,

WHEREAS, the value of Minnesota farm production last year exceeded 7.5 billion dollars, with more than double that amount generated due to related marketing, processing, packaging and distribution; and,

WHEREAS, Minnesota ranks among the nation's top five states in agricultural cash receipts, crop marketing, and the production of oats, sweet corn, wild rice, turkeys, wheat, sugar beets, dairy products and livestock; and,

WHEREAS, the future of Minnesota's farms and agricultural industries remains the key to the future of the state economy as a whole; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota that March 18 is proclaimed to be Agriculture Day in Minnesota. It recognizes the critical nature of the agricultural economy, the challenging and complex problems being faced by our state farmers and agribusinesses and reaffirms its commitment to maintaining and improving the vitality of agriculture in our state.

BE IT FURTHER RESOLVED that the Secretary of the Senate is directed to enroll a copy of this resolution, to be authenticated by his signature and that of the President of the Senate, and that it be presented to representatives of the appropriate agricultural organizations and industries.

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

Mr. Moe, R.D. moved that Senate Resolution No. 76 be now adopted, pursuant to the report from the Committee on Rules and Administration adopted March 4, 1982.

Senate Resolution No. 76: A Senate resolution proclaiming the week of March 14 to 20, 1982, to be Older Workers Week.

WHEREAS, older workers have continued to lead active and productive lives past the standard retirement age; and,

WHEREAS, workers should not feel that they are bound by the constraints of retirement age and should be recognized as fulfilling useful roles in which their experience and expertise deserve recognition; and,

WHEREAS, we owe all those workers past retirement age a debt of gratitude for the excellent jobs they have done and continue to do and recognize the contributions they have made to the State of Minnesota; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota that it proclaims the week of March 14 to 20, 1982, to be Older Workers Week in Minnesota.

BE IT FURTHER RESOLVED that the people of Minnesota are encouraged to hold meetings, ceremonies, celebrations, and other activities to commemorate Older Workers Week.

The motion prevailed. So the resolution was adopted.

Mr. Lessard moved that his name be stricken as a co-author to S.F. No. 1556. The motion prevailed.

Remaining on the Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

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

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

S.F. Nos. 1706, 1825, 1949, 2030, 2062, 1888, 1677, 1858, 1838 and H.F. Nos. 2175, 2078, 1920 and 2068, which the committee recommends to pass.

S.F. No. 1662, which the committee recommends to pass, after the following motion:

Mr. Menning moved to amend S.F. No. 1662 as follows:

Page 5, after line 26, insert:

“Sec. 6. [219.201] [REMOVAL OF SIGNS AND TRACKS; DISCONNECTION OF TRACKS.]

Any railroad company which has obtained the approval of the Interstate Commerce Commission, with respect to tracks under the commission's jurisdiction, or the transportation regulation board, with respect to tracks under the board's jurisdiction, to abandon any of its tracks shall within one year after the date of official abandonment:

- (1) *disconnect the abandoned tracks from the remainder of its rail system;*
- (2) *remove any signs erected under sections 219.18 to 219.20; and*
- (3) *remove the abandoned tracks from all affected railroad grade crossings.*

The transportation regulation board may grant, upon appeal by an affected railroad company, a reasonable extension of the one year time limit for removal and disconnection upon a showing of good cause.”

Page 7, line 16, delete “7” and insert “8”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after the semicolon, insert “providing for the removal of certain signs and for the removal and disconnection of certain railroad tracks;”

Page 1, line 12, after the semicolon, insert “proposing new law coded in Minnesota Statutes, Chapter 219;”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 12 and nays 22, as follows:

Those who voted in the affirmative were:

Dieterich
Frederickson
Humphrey

Langseth
Menning
Moe, D. M.

Moe, R. D.
Penny

Schmitz
Stokowski

Waldorf
Willet

Those who voted in the negative were:

Belanger	Davis	Kronebusch	Peterson, R. W.	Solon
Benson	Engler	Lantry	Petty	Tennessee
Bernhagen	Frederick	Lindgren	Purfeerst	
Dahl	Kamrath	Olhoft	Ramstad	
Davies	Kroening	Peterson, D. L.	Renneke	

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

S.F. No. 1780, which the committee recommends to pass with the following amendment offered by Mr. Frederick:

Page 1, after line 13, insert:

“Section 1. Minnesota Statutes 1980, Section 169.80, Subdivision 1, is amended to read:

Subdivision 1. [LIMITATIONS.] It is a misdemeanor for a person to drive or move, or for the owner to cause or knowingly permit to be driven or moved, on a highway a vehicle or vehicles of a size or weight exceeding the limitations stated in sections 169.80 to 169.88, or otherwise in violation of sections 169.80 to 169.88, and the maximum size and weight of vehicles as prescribed in sections 169.80 to 169.88 shall be lawful throughout this state, and local authorities shall have no power or authority to alter these limitations except as express authority may be granted in sections 169.80 to 169.88.

When all the axles of a vehicle or combination of vehicles are weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight of the vehicle or combination of vehicles so weighed.

When each of the axles of any group that contains two or more consecutive axles of a vehicle or combination of vehicles have been weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight on the group of axles so weighed.

When, in any group of three or more consecutive axles of a vehicle or combination of vehicles any axles have been weighed separately and two or more axles consecutive to each other in the group have been weighed together, the sum of the weights of the axles weighed separately and the axles weighed together shall be evidence of the total gross weight of the group of axles so weighed.

The provisions of sections 169.80 to 169.88 governing size, weight, and load shall not apply to fire apparatus, or to implements of husbandry temporarily moved upon a highway, or to loads of loose hay or corn stalks if transported by a horse-drawn vehicle or drawn by a farm tractor, or to a vehicle operated under the terms of a special permit issued as provided by law. For purposes of sections 169.80 to 169.88, a specialized vehicle resembling a low-slung two wheel trailer having a short bed or platform shall be deemed to be an implement of husbandry when the vehicle is used exclusively to transport implements of husbandry; and the term “temporarily moved upon a highway” shall mean a movement not to exceed 50 miles.

In addition to any other special permits authorized, an annual permit may be issued authorizing movements *on interstate highways and movements exceeding 50 miles on non-interstate highways* of oversize vehicles and loads when the vehicles or combination of vehicles are used exclusively to transport implements of husbandry. Annual permits are issued in accordance with the

applicable provisions of section 169.86, except that the transporting vehicle or combination of vehicles may be moved at the discretion of the permittee without prior route approval from the permit issuing office of the department of transportation if:

(a) The overall width of the transporting vehicle, including load, does not exceed 12 feet;

(b) The transporting vehicle otherwise complies with equipment requirements and length, height and weight limitations prescribed by this chapter;

(c) The movement is made after the hour of sunrise and not later than 30 minutes after sunset;

(d) The movement is not made when visibility is impaired by weather, fog or other conditions rendering persons and vehicles not clearly visible at a distance of 500 feet, or on Sundays *after twelve o'clock noon*, and holidays;

(e) The transporting vehicle shall display at the front and rear end of the load or vehicle a pair of flashing amber lights, as provided in section 169.59, subdivision 4, *whenever the overall width of the vehicle exceeds ten feet, six inches*; and

(f) The movement, if made on a trunk highway, is made on a trunk highway with a surfaced roadway width of not less than 24 feet.

The fee for an annual permit is \$24."

Page 10, line 33, delete "6" and insert "7"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "governing the movement of certain vehicles on certain highways;"

Page 1, line 8, after "amending" insert "Minnesota Statutes 1980, Section 169.80, Subdivision 1;"

The motion prevailed. So the amendment was adopted.

S.F. No. 1740, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Page 6, line 7, after the comma, insert "*bearing interest at the rate determined by the municipality, not exceeding the rate established for finance charges for open-end credit sales under section 334.16, subdivision 1, clause (b).*"

Page 6, line 7, after the second "assessment" insert ", interest and any penalties"

The motion prevailed. So the amendment was adopted.

S.F. No. 1809, which the committee recommends to pass with the following amendment offered by Ms. Berglin:

Page 1, line 19, delete "or" and insert a comma and before the semicolon insert ", or use of a minor to prepare an obscene work"

Page 2, line 8, before the comma, insert "or 617.246"

Amend the title as follows:

Page 1, line 3, delete "and" and insert a comma

Page 1, line 4, before the semicolon, insert ", or use of a minor to prepare an obscene work"

The motion prevailed. So the amendment was adopted.

S.F. No. 1950, which the committee recommends to pass with the following amendment offered by Mr. Petty:

Page 5, line 29, after "319A," insert "or described in subdivision 7,"

Page 6, line 15, after "319A," insert "or described in subdivision 7,"

Page 6, line 27, after "1984" insert "or, in the case of a corporation described in subdivision 7, before April 1, 1984"

Page 40, line 23, delete "72,"

Page 40, line 24, after the period, insert "Section 72 is effective April 1, 1982."

The motion prevailed. So the amendment was adopted.

S.F. No. 1207, which the committee recommends to pass with the following amendments offered by Messrs. Stern and Dieterich:

Mr. Stern moved to amend S.F. No. 1207 as follows:

Page 1, after line 6, insert:

"Section 1. [LEGISLATIVE FINDING.]

The legislature finds and determines that certain off-sale liquor licenses issued prior to the effective date of this act are now in a state of uncertainty because of differing interpretations of the meaning of "interest" under section 340.13, subdivision 3. Licenses have been issued by cities in good faith and business arrangements have been entered into in the belief that they fully met all statutory requirements. It is the intent of this act to permit these licenses and business arrangements to continue in effect to avoid unnecessary disruption in established business practice and to provide that no additional arrangements be given any exemption from the provisions of that subdivision so that the general purposes of that subdivision will be served."

Page 1, delete line 22

Page 1, line 23, delete "under chapter 80C;"

Page 2, after line 14, insert:

"No franchisor of any franchise agreement registered under chapter 80C shall be deemed to have or have had a pecuniary interest in any off-sale intoxicating liquor license if (1) at any time prior to the effective date of this act business was conducted at the location in accordance with a registered franchise agreement, or (2) a registered franchise agreement had been executed prior to July 1, 1980. Any franchise agreement meeting either of the preceding qualifications may be renewed, amended, innovated, or reexecuted after the effective date of this act.

Sec. 3. [EFFECTIVE DATE.]

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

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "exemption" insert "from the multiple interest limitation on off-sale licenses"

Page 1, line 3, after "for" insert "pre-existing"

Page 1, line 3, delete "fees" and insert "agreements"

The motion prevailed. So the amendment was adopted.

Mr. Dieterich moved to amend S. F. No. 1207 as follows:

Page 2, after line 14, insert:

"Sec. 4. [ST. PAUL; ADDITIONAL WINE LICENSES OUTSIDE LIQUOR PATROL LIMITS.]

Notwithstanding any other law or the charter or ordinances of the city of St. Paul to the contrary, the city of St. Paul may issue two additional on-sale wine licenses, as defined in section 340.11, subdivision 20, for locations anywhere within the city of St. Paul.

Sec. 5. [EFFECTIVE DATE.]

Section 4 is effective upon approval by the city of St. Paul and compliance with section 645.021, subdivision 3."

Amend the title as follows:

Page 1, line 3, after the semicolon insert "authorizing the issuance of two additional wine licenses outside the liquor patrol limit of the city of St. Paul;"

The motion prevailed. So the amendment was adopted.

S.F. No. 1459, which the committee recommends to pass with the following amendment offered by Mr. Spear:

Amend the title as follows:

Page 1, line 12, delete "within 60 days"

The motion prevailed. So the amendment was adopted.

S.F. No. 929, which the committee recommends to pass, after the following motion:

The question was taken on the recommendation to pass S.F. No. 929.

The roll was called, and there were yeas 32 and nays 12, as follows:

Those who voted in the affirmative were:

Berglin	Frank	Lessard	Penny	Stokowski
Bertram	Hanson	Luther	Peterson, D.L.	Vega
Chmielewski	Hughes	Menning	Peterson, R.W.	Waldorf
Dahl	Johnson	Moe, D. M.	Petty	Wegener
Davis	Kroening	Moe, R. D.	Purfeerst	
Dicklich	Langseth	Olhoft	Renneke	
Dieterich	Lantry	Pehler	Stern	

Those who voted in the negative were:

Belanger
Bernhagen
Frederickson

Kamrath
Knutson
Kronebusch

Lindgren
Merriam

Ramstad
Rued

Tennessen
Ulland

The motion prevailed. So S.F. No. 929 was recommended to pass.

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Calendar. The motion prevailed.

CALENDAR

S.F. No. 1812: A bill for an act relating to education; encouraging school districts to make efficient and effective use of the learning year; allowing a school district flexibility in scheduling hours and days of attendance; requiring state board approval; amending Minnesota Statutes 1980, Section 124.19, by adding a subdivision.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Ashbach	Engler	Langseth	Penny	Solon
Belanger	Frank	Lantry	Peterson, C.C.	Spear
Benson	Frederick	Lessard	Peterson, D.L.	Stern
Berg	Frederickson	Lindgren	Peterson, R.W.	Stokowski
Berglin	Hanson	Luther	Petty	Stumpf
Bernhagen	Hughes	Menning	Pillsbury	Taylor
Bertram	Humphrey	Merriam	Purfeerst	Tennessen
Chmielewski	Johnson	Moe, D. M.	Ramstad	Vega
Dahl	Kamrath	Moe, R. D.	Renneke	Waldorf
Davis	Knutson	Nelson	Rued	Willet
Dicklich	Kroening	Olhoft	Schmitz	
Dieterich	Kronebusch	Pehler	Setzepfandt	

So the bill passed and its title was agreed to.

S.F. No. 1625: A bill for an act relating to state lands; providing for the conveyance of certain lands to the heirs of John G. and Ruby A. Handberg.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 7, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Langseth	Peterson, C.C.	Sikorski
Belanger	Frank	Lantry	Peterson, D.L.	Solon
Benson	Frederick	Lessard	Peterson, R.W.	Spear
Berg	Frederickson	Lindgren	Petty	Stern
Bernhagen	Hanson	Luther	Pillsbury	Stokowski
Bertram	Hughes	Menning	Purfeerst	Stumpf
Brataas	Johnson	Merriam	Ramstad	Taylor
Dahl	Kamrath	Moe, R. D.	Renneke	Tennessen
Davis	Knoll	Nelson	Rued	Ulland
Davis	Knutson	Pehler	Schmitz	Vega
Dicklich	Kronebusch	Penny	Setzepfandt	Wegener

Those who voted in the negative were:

Chmielewski
Kroening

Moe, D. M.
Olhoft

Sieloff

Waldorf

Willet

So the bill passed and its title was agreed to.

S.F. No. 1791: A bill for an act relating to the joint exercise of powers between governmental units; authorizing governmental units to provide services for other governmental units; amending Minnesota Statutes 1980, Section 471.59, 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 65 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Penny	Sikorski
Bang	Dieterich	Kronebusch	Peterson, C. C.	Solon
Belanger	Engler	Langseth	Peterson, D. L.	Spear
Benson	Frank	Lantry	Peterson, R. W.	Stern
Berg	Frederick	Lessard	Petty	Stokowski
Berglin	Frederickson	Lindgren	Pillsbury	Stumpf
Bernhagen	Hanson	Luther	Purfeerst	Taylor
Bertram	Hughes	Menning	Ramstad	Tennessen
Brataas	Humphrey	Moe, D. M.	Renneke	Ulland
Chmielewski	Johnson	Moe, R. D.	Rued	Vega
Dahl	Kamrath	Nelson	Schmitz	Waldorf
Davies	Knoll	Olhoft	Setzepfandt	Wegener
Davis	Knutson	Pehler	Sieloff	Willet

Mr. Merriam voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1790: A bill for an act relating to municipal planning; authorizing towns to plan; providing for standards and criteria for conditional uses and variances; authorizing the establishment of a board for planning in certain areas; amending Minnesota Statutes 1980, Sections 462.352, Subdivision 2; 462.357, Subdivision 6; 462.358, Subdivision 1a; and 462.36, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 462.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Penny	Sikorski
Bang	Dieterich	Langseth	Peterson, C. C.	Solon
Belanger	Engler	Lantry	Peterson, D. L.	Spear
Benson	Frank	Lessard	Peterson, R. W.	Stern
Berg	Frederick	Lindgren	Petty	Stokowski
Berglin	Frederickson	Luther	Pillsbury	Stumpf
Bernhagen	Hanson	Menning	Purfeerst	Taylor
Bertram	Hughes	Merriam	Ramstad	Tennessen
Brataas	Humphrey	Moe, D. M.	Renneke	Ulland
Chmielewski	Johnson	Moe, R. D.	Rued	Vega
Dahl	Kamrath	Nelson	Schmitz	Waldorf
Davies	Knutson	Olhoft	Setzepfandt	Wegener
Davis	Kroening	Pehler	Sieloff	Willet

So the bill passed and its title was agreed to.

S.F. No. 1970: A bill for an act relating to local government; creating the Morrison County rural development finance authority; authorizing the establishment of a development and redevelopment program and the authorization of powers for it.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Penny	Sikorski
Bang	Dieterich	Langseth	Peterson, C. C.	Solon
Belanger	Engler	Lantry	Peterson, D. L.	Spear
Benson	Frank	Lessard	Peterson, R. W.	Stern
Berg	Frederick	Lindgren	Petty	Stokowski
Berglin	Frederickson	Luther	Pillsbury	Stumpf
Bernhagen	Hanson	Menning	Purfeerst	Taylor
Bertram	Hughes	Merriam	Ramstad	Tennessen
Brataas	Humphrey	Moe, D. M.	Renneke	Ulland
Chmielewski	Johnson	Moe, R. D.	Rued	Vega
Dahl	Kamrath	Nelson	Schmitz	Waldorf
Davies	Knoll	Olhoft	Setzepfandt	Wegener
Davis	Kroening	Pehler	Sieloff	Willet

So the bill passed and its title was agreed to.

S.F. No. 1792: A bill for an act relating to towns; authorizing certain towns to exercise special powers by affirmative vote of the town electors; requiring notice; amending Minnesota Statutes 1980, Section 368.01, Subdivisions 1, 30, and by adding subdivisions.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Penny	Sikorski
Bang	Dieterich	Kronebusch	Peterson, C. C.	Solon
Belanger	Engler	Langseth	Peterson, D. L.	Spear
Benson	Frank	Lantry	Peterson, R. W.	Stern
Berg	Frederick	Lessard	Petty	Stokowski
Berglin	Frederickson	Lindgren	Pillsbury	Taylor
Bernhagen	Hanson	Luther	Purfeerst	Tennessen
Bertram	Hughes	Menning	Ramstad	Ulland
Brataas	Humphrey	Merriam	Renneke	Vega
Chmielewski	Johnson	Moe, D. M.	Rued	Waldorf
Dahl	Kamrath	Moe, R. D.	Schmitz	Wegener
Davies	Knoll	Olhoft	Setzepfandt	Willet
Davis	Knutson	Pehler	Sieloff	

So the bill passed and its title was agreed to.

S.F. No. 1683: A bill for an act relating to metropolitan government; providing for the allocation of certain sewage costs; amending Minnesota Statutes 1980, Section 473.517, 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 27 and nays 38, as follows:

Those who voted in the affirmative were:

Ashbach	Dahl	Kamrath	Pillsbury	Taylor
Bang	Engler	Knutson	Ramstad	Ulland
Belanger	Frank	Kronebusch	Renneke	Wegener
Benson	Frederick	Lindgren	Rued	
Bernhagen	Frederickson	Pehler	Schmitz	
Brataas	Hughes	Peterson, D.L.	Setzepfandt	

Those who voted in the negative were:

Berglin	Humphrey	Menning	Peterson, R. W.	Stokowski
Bertram	Johnson	Merriam	Petty	Stumpf
Chmielewski	Knoll	Moe, D. M.	Purfeerst	Tennessen
Davies	Kroening	Moe, R. D.	Sieloff	Vega
Davis	Langseth	Nelson	Sikorski	Waldorf
Dicklich	Lantry	Olhoft	Solon	Willet
Dieterich	Lessard	Penny	Spear	
Hanson	Luther	Peterson, C.C.	Stern	

So the bill failed to pass.

S.F. No. 1814: A bill for an act relating to the city of Maplewood; authorizing a project and the issuance of revenue bonds.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 5, as follows:

Those who voted in the affirmative were:

Bang	Engler	Kronebusch	Penny	Spear
Belanger	Frank	Langseth	Peterson, C.C.	Stern
Benson	Frederick	Lantry	Petty	Stokowski
Berglin	Frederickson	Lessard	Purfeerst	Stumpf
Bernhagen	Hanson	Lindgren	Ramstad	Taylor
Bertram	Hughes	Luther	Renneke	Ulland
Brataas	Humphrey	Menning	Rued	Vega
Chmielewski	Johnson	Moe, D. M.	Schmitz	Waldorf
Dahl	Kamrath	Moe, R. D.	Setzepfandt	Wegener
Davis	Knoll	Nelson	Sieloff	Willet
Dicklich	Knutson	Olhoft	Sikorski	
Dieterich	Kroening	Pehler	Solon	

Those who voted in the negative were:

Davies	Merriam	Peterson, D.L.	Peterson, R. W.	Tennessen
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So the bill passed and its title was agreed to.

S.F. No. 1837: A bill for an act relating to health; establishing a permanent council on health promotion and wellness; proposing new law coded in Minnesota Statutes, Chapter 145.

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 3, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lantry	Peterson, R. W.	Stern
Bang	Frank	Lessard	Petty	Stokowski
Belanger	Frederick	Lindgren	Pillsbury	Stumpf
Benson	Frederickson	Luther	Purfeerst	Taylor
Berg	Hanson	Menning	Ramstad	Tennessen
Bernhagen	Hughes	Merriam	Renneke	Ulland
Bertram	Humphrey	Moe, D. M.	Rued	Vega
Brataas	Johnson	Moe, R. D.	Schmitz	Waldorf
Chmielewski	Kamrath	Nelson	Setzepfandt	Wegener
Dahl	Knutson	Olhoft	Sieloff	Willett
Davies	Kroening	Pehler	Sikorski	
Davis	Kronebusch	Penny	Solon	
Dieterich	Langseth	Peterson, D. L.	Spear	

Ms. Berglin, Messrs. Dicklich and Peterson, C.C. voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1605: A bill for an act relating to public welfare; requiring audits of nursing home cost reports; amending Minnesota Statutes 1980, Sections 256B.27, Subdivision 2a; and 256B.35, Subdivision 4.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 6, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kronebusch	Penny	Sieloff
Bang	Frank	Langseth	Peterson, C.C.	Sikorski
Belanger	Frederick	Lantry	Peterson, D. L.	Solon
Benson	Frederickson	Lessard	Peterson, R. W.	Stokowski
Bernhagen	Hanson	Lindgren	Petty	Stumpf
Bertram	Hughes	Luther	Pillsbury	Taylor
Brataas	Humphrey	Menning	Purfeerst	Tennessen
Chmielewski	Johnson	Merriam	Ramstad	Ulland
Dahl	Kamrath	Moe, D. M.	Renneke	Vega
Davies	Knoll	Moe, R. D.	Rued	Waldorf
Dicklich	Knutson	Nelson	Schmitz	Willett
Dieterich	Kroening	Olhoft	Setzepfandt	

Those who voted in the negative were:

Berglin	Pehler	Spear	Stern	Wegener
Davis				

So the bill passed and its title was agreed to.

S.F. No. 1805: A bill for an act relating to transportation; providing for the construction of a new bridge crossing the Mississippi River at Wabasha.

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 21 and nays 40, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Kamrath	Ramstad	Ulland
Belanger	Chmielewski	Knutson	Renneke	
Benson	Engler	Lindgren	Rued	
Berg	Frederick	Peterson, D. L.	Sieloff	
Bernhagen	Frederickson	Pillsbury	Taylor	

Those who voted in the negative were:

Bertram	Hughes	Lessard	Penny	Spear
Dahl	Humphrey	Luther	Peterson, C. C.	Stern
Davies	Johnson	Menning	Peterson, R. W.	Stokowski
Davis	Knoll	Merriam	Petty	Stumpf
Dicklich	Kroening	Moe, R. D.	Schmitz	Tennessee
Dieterich	Kronebusch	Nelson	Setzepfandt	Vega
Frank	Langseth	Olhoft	Sikorski	Wegener
Hanson	Lantry	Pehler	Solon	Willet

So the bill failed to pass.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D., moved that the Senate take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

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

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

S.F. Nos. 1886, 1908, 2111, 1022, 1130, 1907, 1758, 2048, 1631, 1523, 1818, 1761, 1640, 2141, 1879, 1801, 1987, 1623, 2035, 1541, 1957, 1869, 1775, 419, 276, 1421, 1666, 1670, 1842, 1078, 1630, 1967, 1865, 518, 2000, 2121, 1955, 1221, 63, and H.F. Nos. 1366, 12, 1948, 1646, 1336, 1120, 1713, 1726, 1622 and 1955, which the committee recommends to pass.

S.F. No. 1482, which the committee recommends be returned to its author.

S.F. No. 1890, which the committee recommends be returned to the Committee on Judiciary.

S.F. No. 1533, which the committee recommends be returned to the Committee on Agriculture and Natural Resources.

S.F. No. 1715, which the committee recommends to pass with the following amendment offered by Mr. Petty:

Page 2, lines 3 to 18, delete the new language and insert "Any incumbent of a position referred to in subdivisions 9 to 16 and subdivision 17, clause (b), shall be appointed to the position on the effective date of the subdivisions, and shall have the right to return to his permanent civil service classification pursuant to Laws 1969, Chapter 937, Section 2."

The motion prevailed. So the amendment was adopted.

S.F. No. 1718, which the committee recommends to pass with the following amendment offered by Mr. Spear:

Page 1, line 15, after the period, insert: "In addition to the limitations of section 462C.03, subdivision 10, and 462C.05, subdivision 2, at least 30 percent of the dwelling units financed with bonds issued pursuant to chapter 462C and located in a development district within the city of Minneapolis shall be held for occupancy by persons and families of moderate income."

The motion prevailed. So the amendment was adopted.

S.F. No. 1522, which the committee recommends to pass with the following

amendment offered by Mr. Wegener:

Page 2, after line 3, insert:

"Sec. 3. Minnesota Statutes 1980, Section 368.01, Subdivision 1, is amended to read:

Subdivision 1. [TOWNS DESCRIBED.] Any town ~~in this state~~ having therein platted portions in which there reside 1,200 or more people or any towns having platted area within 20 miles of the city hall of a city of the first class having over 200,000 population shall have and possess the powers ~~as are~~ enumerated in this section. The town board thereof may adopt, amend, or repeal ~~such~~ ordinances, rules, and bylaws for any purposes ~~so~~ enumerated as it deems expedient.

Sec. 4. Minnesota Statutes 1980, Section 368.01, is amended by adding a subdivision to read:

Subd. 1a. [CERTAIN OTHER TOWNS.] Any town with a population of 1,000 or more according to the most recent federal decennial census that does not otherwise qualify pursuant to subdivision 1 to exercise the powers enumerated in this section, shall have and possess the enumerated powers upon an affirmative vote of the electors of the town at the annual town meeting.

Sec. 5. Minnesota Statutes 1980, Section 368.01, Subdivision 30, is amended to read:

Subd. 30. [NOTICE TO COUNTY AUDITOR AND SECRETARY OF STATE.] The town clerk of each town exercising special powers pursuant to this section shall so notify in writing the county auditor of the county ~~wherein~~ ~~such~~ in which the town is located and the secretary of state. The written notice shall be filed by the county auditor and the secretary of state as a public record.

Sec. 6. Minnesota Statutes 1980, Section 368.01, is amended by adding a subdivision to read:

Subd. 31. [CONTINUING AUTHORITY TO EXERCISE POWERS.] If a town exercises a power pursuant to this section it may continue to exercise the power notwithstanding any subsequent change in population.

Sec. 7. [NOTICE.]

A town exercising a power pursuant to Minnesota Statutes, Section 368.01 on or before the effective date of this act which has not notified the county auditor of the county in which the town is located shall do so and shall notify the secretary of state as provided in Minnesota Statutes, Section 368.01, Subdivision 30.

Sec. 8. Minnesota Statutes 1980, Section 462.352, Subdivision 2, is amended to read:

Subd. 2. "Municipality" means any city, including a city operating under a home rule charter, and any town ~~having the powers of statutory cities pursuant to section 368.01.~~

Sec. 9. Minnesota Statutes 1980, Section 462.357, Subdivision 6, is amended to read:

Subd. 6. [APPEALS AND ADJUSTMENTS.] Appeals to the board of

appeals and adjustments may be taken by any affected person upon compliance with any reasonable conditions imposed by the zoning ordinance. The board of appeals and adjustments has the following powers with respect to the zoning ordinance:

(1) To hear and decide appeals where it is alleged that there is an error in any order, requirement, decision, or determination made by an administrative officer in the enforcement of the zoning ordinance.

(2) To hear requests for variances from the literal provisions of the ordinance in instances where their strict enforcement would cause undue hardship because of circumstances unique to the individual property under consideration, and to grant such variances only when it is demonstrated that such actions will be in keeping with the spirit and intent of the ordinance. *"Undue hardship" as used in connection with the granting of a variance means the property in question cannot be put to a reasonable use if used under conditions allowed by the official controls, the plight of the landowner is due to circumstances unique to his property not created by the landowner, and the variance, if granted, will not alter the essential character of the locality. Economic considerations alone shall not constitute an undue hardship if reasonable use for the property exists under the terms of the ordinance.* Undue hardship also includes, but is not limited to, inadequate access to direct sunlight for solar energy systems. Variances shall be granted for earth sheltered construction as defined in section 116H.02, subdivision 3, when in harmony with the ordinance. The board of appeals and adjustments or the governing body as the case may be, may not permit as a variance any use that is not permitted under the ordinance for property in the zone where the affected person's land is located. The board or governing body as the case may be, may permit as a variance the temporary use of a one family dwelling as a two family dwelling. The board or governing body as the case may be may impose conditions in the granting of variances to insure compliance and to protect adjacent properties.

Sec. 10. Minnesota Statutes 1980, Section 462.358, Subdivision 1a, is amended 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 unin-~~

incorporated 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 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. 11. [462.3585] [JOINT PLANNING BOARD.]

Upon request of a home rule charter or statutory city council or county or town board by resolution presented to the county auditor of the county of the affected territory a board shall be established to exercise planning and land use control authority in the unincorporated area within two miles of the corporate limits of a city. The board shall have members in a number determined by the city, county, and town. Each governmental unit shall have an equal number of members. The members shall be appointed from the governing bodies of the city, county, and town. Upon request of more than one county or town board with respect to the unincorporated area within two miles of the corporate limits of a single city, the parties may create one board rather than a separate board for each county or town, with equal membership from each affected governmental unit. The board shall serve as the governing body and board of appeals and adjustments for purposes of sections 462.351 to 462.364 within the two-mile area. The board shall have all of the powers contained in sections 462.351 to 462.364 and shall have authority to adopt and enforce the uniform fire code promulgated pursuant to section 299F.011. The city shall provide staff for the preparation and administration of land use controls unless otherwise agreed by the governmental units.

Sec. 12. [462.3595] [CONDITIONAL USE PERMITS.]

Subdivision 1. [AUTHORITY.] The governing body may by ordinance designate certain types of developments, including planned unit developments, and certain land development activities as conditional uses under zoning regulations. Conditional uses may be approved by the governing body or other designated authority by a showing by the applicant that the standards and criteria stated in the ordinance will be satisfied. The standards and criteria shall include both general requirements for all conditional uses, and insofar as practicable, requirements specific to each designated conditional use.

Subd. 2. [PUBLIC HEARINGS.] Public hearings on the granting of conditional use permits shall be held in the manner provided in section 462.357, subdivision 3.

Subd. 3. [DURATION.] A conditional use permit shall remain in effect as long as the conditions agreed upon are observed, but nothing in this section shall prevent the municipality from enacting or amending official controls to change the status of conditional uses.

Subd. 4. [FILING OF PERMIT.] A certified copy of any conditional use permit shall be filed with the county recorder or registrar of titles of the county

or counties in which the municipality is located for record. The conditional use permit shall include the legal description of the property included.

Sec. 13. Minnesota Statutes 1980, Section 462.36, Subdivision 1, is amended to read:

Subdivision 1. [REQUIRED DOCUMENTS.] A certified copy of every ordinance, resolution, map, or regulation adopted, or variance granted under the provisions of sections ~~462.358 and 462.357~~ to 462.359 and ~~amendments thereto~~ sections 3 and 4 of this act shall be filed with the county recorder of the county or counties in which the municipality adopting it is located. Ordinances, resolutions, maps or regulations filed with the county recorder pursuant to this subdivision do not constitute encumbrances on real property. *The order issued by the governing body or board of appeals and adjustments as the case may be, shall include the legal description of the property involved.*

Sec. 14. Minnesota Statutes 1980, Section 471.59, is amended by adding a subdivision to read:

Subd. 10. [SERVICES PERFORMED BY GOVERNMENTAL UNITS; COMMONALITY OF POWERS.] Notwithstanding the provisions of subdivision 1 requiring commonality of powers between parties to any agreement, the governing body of any governmental unit as defined in subdivision 1 may enter into agreements with any other governmental unit to perform on behalf of that unit any service or function which the governmental unit providing the service or function is authorized to provide for itself."

Page 2, after line 10, insert:

"Sec. 16. [EFFECTIVE DATE.] Sections 1 to 8, 10, 11, and 15 are effective the day following final enactment. Sections 9, 12, and 13 are effective January 1, 1983."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon insert "authorizing certain towns to exercise special powers by affirmative vote of the town electors; requiring notice; authorizing towns to plan; providing for standards and criteria for conditional uses and variances; authorizing the establishment of a board for planning in certain areas; authorizing governmental units to provide services for other governmental units;"

Page 1, line 6, before "and" insert "368.01, Subdivisions 1, 30, and by adding subdivisions; 462.352, Subdivision 2; 462.357, Subdivision 6; 462.358, Subdivision 1a; 462.36, Subdivision 1; 471.59, by adding a subdivision;"

Page 1, line 7, before the period insert "; proposing new law coded in Minnesota Statutes, Chapter 462"

The motion prevailed. So the amendment was adopted.

H.F. No. 1456, which the committee reports progress, subject to the following motions:

Mr. Sieloff moved that the amendment made to H.F. No. 1456 by the Committee on Rules and Administration in the report adopted March 2, 1982,

pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Sieloff then moved to amend H.F. No. 1456, as follows:

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1980, Section 488A.27, Subdivision 11, is amended to read:

Subd. 11. [PROSECUTING ATTORNEYS.] Except where the county attorney is specifically designated by law as the prosecutor for the particular violation charged, the attorney of the municipality in which the violation is alleged to have occurred shall have charge of the prosecution of all violations of statutes, *including gross misdemeanor violations*, ordinances, charter provisions, rules or regulations triable in this court and shall prepare complaints for ~~said~~ the violations.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete “Section” and insert “Sections 488A.27, Subdivision 11; and”

The motion prevailed. So the amendment was adopted.

H.F. No. 1456 was then progressed.

S.F. No. 1561, which the committee recommends to pass with the following amendment offered by Ms. Berglin:

Page 1, after line 12, insert:

“Section 1. Minnesota Statutes 1980, Section 256.978, is amended to read:

256.978 [LOCATION OF PARENTS DESERTING THEIR CHILDREN, ACCESS TO RECORDS.]

The commissioner of public welfare, in order to *carry out the child support enforcement program and to assist in the locating of fathers and mothers* location of parents who have, or appear to have, deserted their children, may request ~~and shall receive~~ information from the records of all departments, boards, bureaus or other agencies of this state ~~and they~~, which shall, notwithstanding the provisions of section 290.61, section 268.12, subdivision 12 or any other ~~existing~~ law to the contrary, provide ~~such the~~ information as is necessary for this purpose. ~~Only~~ Information ~~directly bearing on~~ relative to the identity ~~and~~, whereabouts, employment, income, and property of a person owing or alleged to be owing an obligation of support ~~shall may~~ be requested and used or transmitted by the commissioner pursuant to the authority conferred by this section. The commissioner of public welfare may make such information available only to public officials and agencies of this state and its political subdivisions and other states of the union and their political subdivisions who are seeking to ~~locate mothers and fathers~~ enforce the support liability of parents or to locate parents who have, or appear to have, deserted their children; ~~for the purpose of enforcing their liability for support~~. Any person who, pursuant to this section, obtains information from the department of revenue the confidentiality of which is protected by law shall not divulge the information except to the extent necessary for the administration of the child

support enforcement program or when otherwise authorized by law."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "authorizing release of information for location of certain parents of deserted children;"

Page 1, line 4, after "amending" insert "Minnesota Statutes 1980, Section 256.978;"

The motion prevailed. So the amendment was adopted.

S.F. No. 2055, which the committee recommends to pass with the following amendment offered by Mr. Merriam:

Page 1, line 12, delete everything after "use" and insert a period

Page 1, delete lines 13 and 14

Page 1, line 21, delete "HEATERS" and insert "BURNERS"

Page 2, line 1, delete "where any repair services" and insert a period

Page 2, delete lines 2 to 4 and insert:

"Subd. 3. [PROHIBITION.] No person shall burn any waste oil in an approved waste oil burner if the waste oil does not conform with specifications for waste oil which may be burned under the rules of the pollution control agency as may be adopted for the regulation of hazardous waste pursuant to section 116.07."

Amend the title as follows:

Page 1, line 3, delete "certain" and after "and" insert "commercial"

The motion prevailed. So the amendment was adopted.

S.F. No. 1894, which the committee recommends to pass with the following amendment offered by Mr. Waldorf:

Page 7, delete line 35 and insert "with a utility service area including the metropolitan area as defined in section 473.121, subdivision 2, that serves 50 or more Minnesota residential customers and uses a"

Page 8, line 1, delete "all" and insert "the"

The motion prevailed. So the amendment was adopted.

S.F. No. 1747, which the committee recommends to pass with the following amendments offered by Messrs. Willet and Knutson:

Mr. Willet moved to amend S. F. No. 1747 as follows:

Page 2, line 4, delete everything after the period

Page 2, delete lines 5 and 6 and insert "The commissioner may credit a refund to any other permit held by the same permit holder if the permit is delinquent as provided in section 90.181, subdivision 2, and may credit a refund to any other permit to which the permit holder requests that it be credited."

Page 2, line 12, delete "held by that permit holder" and insert "as provided

in this subdivision"

Page 2, delete lines 15 through 18

Page 2, line 21, after "may" insert "cancel the permit and"

Renumber the subdivisions in sequence

The motion prevailed. So the amendment was adopted.

Mr. Knutson moved to amend S.F. No. 1747 as follows:

Page 2, line 14, delete "\$1" and insert "\$50"

The motion prevailed. So the amendment was adopted.

S.F. No. 2006, which the committee recommends to pass with the following amendment offered by Mr. Nelson:

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1980, Section 349.17, Subdivision 1, is amended to read:

Subdivision 1. No compensation shall be paid to any person in connection with a bingo occasion except an active member of the organization, or its auxiliary, or the spouse or surviving spouse of an active member, conducting the bingo occasion nor shall any person not an active member of the organization or its auxiliary or the spouse or surviving spouse of an active member participate in the conduct of a bingo occasion, except by resolution of a majority of the membership, recorded in the official minutes of the organization, non-management assistants who are not active members of the organization, or its auxiliary, or the spouse or surviving spouse of an active member, may be hired to assist members in conducting a bingo occasion. Compensation shall not exceed ~~\$20~~ \$50 for a bingo occasion."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "Section" and insert "Sections 349.17, Subdivision 1, and"

The motion prevailed. So the amendment was adopted.

S.F. No. 2125, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Page 1, after line 22, insert:

"Sec. 2. [508.545] [CONTRACTS FOR DEED; MODIFICATION.]

Notwithstanding any law to the contrary, a renegotiated contract for deed or an agreement modifying the terms of a contract for deed which was valid at its inception shall not be construed as creating a mortgage or an equitable mortgage. This section does not modify any other requirements relating to contracts for deed.

Sec. 3. Minnesota Statutes 1980, Section 559.21, Subdivision 1, is amended to read:

Subdivision 1. [DEFAULT; TERMINATION.] When default is made in the

conditions of any contract for the conveyance of real estate or any interest ~~therein~~ in it executed after July 30, 1976, and prior to May 1, 1980, whereby the vendor has a right to terminate ~~the same~~ it, he may do so by serving upon the purchaser, his personal representatives or assigns, either within or without the state, a notice specifying the conditions in which default has been made, and stating that the contract will terminate (1) 30 days after the service of the notice if the purchaser has paid less than 30 percent of the purchase price, exclusive of interest ~~thereon~~ on it, and any mortgages or prior contracts for deed which are assumed by the purchaser, (2) 45 days after service of the notice if the purchaser has paid 30 percent, or more, but less than 50 percent of the purchase price, exclusive of interest ~~thereon~~ on it, and any mortgages or prior contracts for deed which are assumed by the purchaser, (3) 60 days after service of the notice if the purchaser has paid 50 percent, or more, of the purchase price, exclusive of interest ~~thereon~~ on it, and any mortgages or prior contracts for deed which are assumed by the purchaser, unless prior thereto the purchaser complies with the conditions and pays the costs of service, the mortgage registration tax, if actually paid by the vendor, together with an amount to apply on attorneys' fees actually expended or incurred, of \$75 when the amount in default is less than \$750, and of \$200 when the amount in default is \$750 or more; provided, however, that no amount is required to be paid for attorneys' fees as provided hereunder, unless some part of the conditions of default has existed at least 45 days prior to the date of service of the notice.

Sec. 4. Minnesota Statutes 1980, Section 559.21, is amended by adding a subdivision to read:

Subd. 1a. [DEFAULT; TERMINATION.] When default is made in the conditions of any contract for the conveyance of real estate or any interest in it, executed prior to August 1, 1976, whereby the vendor has a right to terminate it, he may do so by serving upon the purchaser, his personal representatives or assigns, either within or without the state, a notice specifying the conditions in which default has been made, and stating that the contract will terminate 30 days after the service of the notice unless prior thereto the purchaser complies with the conditions and pays the costs of service, together with an amount to apply on attorneys' fees actually expended or incurred, of \$50 when the amount in default is less than \$500, and of \$100 when the amount in default is \$500 or more; provided, however, that no amount shall be required to be paid for attorneys' fees as provided hereunder, unless some part of the conditions of default shall have existed at least 45 days prior to the date of service of the notice. The notice must be given notwithstanding any provisions in the contract to the contrary, and shall be served within the state in the same manner as a summons in the district court, without the state, in the same manner, and without securing any sheriff's return of not found, making any preliminary affidavit, mailing a copy of the notice or doing any other preliminary act or thing whatsoever. Service of the notice without the state may be proved by the affidavit of the person making it, made before an authorized officer having a seal, and within the state by an affidavit or by the return of the sheriff of any county."

Page 1, after line 25, insert:

"Sec. 6. [EFFECTIVE DATE.]

Section 2 is curative and is effective the day after final enactment as to all

modifications and renegotiations occurring before, on, or after that date."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "providing for the modification and extension of contracts for deed; providing dates for applicable laws relating to termination of contracts;"

Page 1, line 8, delete "Section" and insert "Sections"

Page 1, line 9, after "1;" insert "559.21, Subdivision 1, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 508;"

The motion prevailed. So the amendment was adopted.

S.F. No. 1966, which the committee recommends to pass with the following amendment offered by Mr. Pehler:

Page 2, after line 13, insert:

"Sec. 2. [REPLACEMENT BUILDING, ST. CLOUD STATE UNIVERSITY.]

The state university board is authorized to replace the existing building at the highway safety center at St. Cloud state university. Funding for the building shall be exclusively from earned revenue and shall not exceed \$28,000. For purposes of this section, "earned revenue" includes user fees."

Page 2, line 15, delete "Section 1 is" and insert "Sections 1 and 2 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before the period, insert "; permitting the state university board to replace certain buildings"

The motion prevailed. So the amendment was adopted.

S.F. No. 1684, which the committee recommends to pass with the following amendment offered by Mr. Bang:

Page 2, line 17, after the period, insert "*In the case of fiduciary funds deposited with the bank, this insurance requirement may be met by depositing collateral security under section 48.74.*"

Page 2, line 30, after "banks" insert "or collateral security deposited under section 48.74"

Page 7, line 31, delete "clearly differentiates it from the"

Page 7, delete line 32

Page 7, line 33, delete "include" and insert "includes"

Page 7, line 33, after the period, insert "*A detached facility in existence on the effective date of this section must comply with this section by December 31, 1982.*"

Page 25, line 14, before "Minnesota" insert "Subdivision 1. [GENER-

ALLY.]”

Page 25, line 14, delete “47.16, Subdivision 2;”

Page 25, after line 18, insert:

“Subd. 2. [SECRETARY OF STATE FILING FEES.] *Minnesota Statutes 1980, Section 47.16, Subdivision 2, is repealed.*”

Page 25, line 20, after “to” insert “15, 17 to 29, and”

Page 25, line 20, after “30” insert “, Subdivision 1,”

Page 25, line 21, after the period, insert “Sections 16 and 30, Subdivision 2, are effective April 1, 1982.”

The motion prevailed. So the amendment was adopted.

H.F. No. 492, which the committee recommends to pass with the following amendment offered by Mr. Humphrey:

Page 1, after line 8, insert:

“Section 1. *Minnesota Statutes 1980, Section 244.09, Subdivision 2, is amended to read:*

Subd. 2. [MEMBERSHIP.] The sentencing guidelines commission shall consist of the following:

- (1) The chief justice of the supreme court or his designee;
- (2) Two district court judges appointed by the chief justice of the supreme court;
- (3) One public defender appointed by the governor upon recommendation of the state public defender;
- (4) One county attorney appointed by the governor upon recommendation of the board of governors of the county attorneys council;
- (5) The commissioner of corrections or his designee;
- (6) The chairman of the Minnesota corrections board or his designee; ~~and~~
- (7) *One peace officer as defined in section 626.84 appointed by the governor; and*
- (8) Two public members appointed by the governor.

One of the members shall be designated by the governor as chairman of the commission.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert “providing for appointment of a peace officer to the sentencing guidelines commission;”

Page 1, line 5, before “proposing” insert “amending *Minnesota Statutes 1980, Section 244.09, Subdivision 2;*”

The motion prevailed. So the amendment was adopted.

H.F. No. 1712, which the committee recommends to pass with the follow-

ing amendment offered by Mr. Frederickson:

Amend H. F. No. 1712, as amended pursuant to Rule 49, adopted by the Senate March 2, 1982, as follows:

(The text of the amended House File is identical to S. F. No. 1808.)

Page 4, after line 25, insert:

"Sec. 3. Minnesota Statutes 1981 Supplement, Section 252.27, Subdivision 2, is amended to read:

Subd. 2. ~~The commissioner of public welfare shall promulgate rules to determine the responsibility of the parents and the child to contribute to the cost of care and treatment based upon ability to pay.~~ Responsibility of the parents and of the child for the cost of care shall be up to a maximum of ten percent of the cost of care per month based upon ability to pay. The county board may establish a schedule of fees in accordance with section 256E.08, subdivision 6, to determine responsibility of the parents for the cost of care when:

(a) Insurance or other health care benefits pay some but not all of the cost of care; and

(b) No insurance or other health care benefits are available.

In establishing the schedule of fees, the county board shall take into account the situation of a small business or other organization when utilization, by an employee or his dependent, of insurance or other health care benefits for the cost of care would have an impact on the ability of the business or other organization to continue offering insurance or other health benefit coverage to its employees.

Responsibility of the child for the cost of care shall be up to the maximum amount of the total income and resources attributed to the child except for the clothing and personal needs allowance as provided in section 256B.35, subdivision 1. Reimbursement by the parents and child shall be made to the county making any payments for care and treatment. The county board may require payment of the full cost of caring for children whose parents or guardians do not reside in this state.

To the extent that a child described in subdivision 1 is eligible for benefits under chapters 62A, 62C, 62D, 62E, or 64A, the county is not liable for the cost of care. A parent or legal guardian who discontinues payment of health insurance premiums, subscriber fees or enrollment fees for a child who is otherwise eligible for those benefits is ineligible for payment of the cost of care of that child under this section.

The commissioner's determination shall be conclusive in any action to enforce payment of the cost of care. Any appeals from the commissioner's determination shall be made pursuant to section 256.045, subdivisions 2 and 3."

Page 5, line 31, delete "15.0411" and insert "15.0412"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "providing for parental responsi-

bility for the cost of care of mentally retarded, epileptic, or emotionally handicapped children based on ability to pay;"

Page 1, line 13, after "2;" insert "252.27, Subdivision 2;"

The motion prevailed. So the amendment was adopted.

H.F. No. 253, which the committee recommends to pass with the following amendments offered by Mr. Tennesen:

Mr. Tennesen moved to amend H. F. No. 253, the unofficial engrossment, as follows:

Page 1, line 20, after "to" insert "75 percent of"

Page 1, line 21, after "4," insert "but no less than ten percent,"

Page 2, line 15, after "to" insert "75 percent of"

Page 2, line 17, after "4," insert "but no less than ten percent,"

Page 3, line 14, after "to" insert "75 percent of"

Page 3, line 15, after "4" insert ", but no less than ten percent"

Page 3, line 32, after "to" insert "75 percent of"

Page 3, line 33, after "4" insert ", but no less than ten percent,"

Page 4, line 22, after "to" insert "75 percent of"

Page 4, line 24, after "4" insert ", but no less than ten percent"

Page 5, line 34, after "to" insert "75 percent of"

Page 5, line 35, after "4" insert ", but no less than ten percent,"

Page 6, line 31, after "to" insert "75 percent of"

Page 6, line 33, after "4" insert ", but no less than ten percent"

Page 7, line 1, after "to" insert "75 percent of"

Page 7, line 2, after "4," insert "but no less than ten percent,"

Page 7, line 7, after "to" insert "75 percent of"

Page 7, line 8, after "4," insert "but no less than ten percent,"

Page 7, line 23, after "to" insert "75 percent of"

Page 7, line 25, after "4" insert ", but no less than ten percent,"

The motion prevailed. So the amendment was adopted.

Mr. Tennesen then moved to amend H. F. No. 253, the unofficial engrossment, as follows:

Page 7, after line 33, insert:

"Sec. 8. [INTERIM LEGISLATIVE STUDY COMMISSION ON CONSUMER CREDIT.]

Subdivision 1. [CREATION, MEMBERSHIP, MEETINGS.] The interim legislative study commission on consumer credit is composed of three senators of the majority party and two senators of the minority party appointed by the

subcommittee on committees of the committee on rules and administration, and three representatives of the majority party and two representatives of the minority party appointed by the speaker of the house. The commission shall be appointed and shall elect a chairman from among its members. Meetings of the commission shall be held at the times the commission determines.

Subd. 2. [PURPOSE, LEGISLATIVE FINDINGS.] *The legislature finds that the current status of consumer credit legislation raises major questions of public policy. It further finds that many legislators need greater knowledge and experience in the area of consumer credit legislation. Therefore, the legislature declares the need for an interim staff function that will supply objective services in the areas of issue identification, policy option review, and access to outside professional resource persons.*

Subd. 3. [GENERAL DUTIES.] *The commission shall advise and assist other legislators and standing committees through:*

(a) Identification of consumer credit issues, including the efficacy of the present scheme of creditor and interest rate regulation, the policy of allowing Minnesota income tax deductions for consumer credit interest expenditures, and the need for greater consumer protections, that may require legislative involvement in the 1983 legislative session;

(b) Improving legislator understanding of technical aspects of issues that come before the legislature;

(c) Assuring adequate access to the testimony and counsel of experts on various consumer credit issues;

(d) Sponsoring seminars or other learning experiences that improve legislator understanding of consumer credit issues.

Subd. 4. [CONSUMER CREDIT RESOURCE COUNCIL.] *The commission shall establish a consumer credit resource council composed of 15 members from the consumer credit industry and consumer groups of Minnesota. The membership of the council shall appoint replacements to fill expired terms and vacancies caused by death, disability, or resignation. The council shall meet upon the call of the chairman or the request of a majority of the council's members. The chairman may create and abolish subcommittees. All council members shall serve without compensation.*

The council may advise and assist the commission on:

(a) Holding seminars on consumer credit issues that will provide information to legislators;

(b) Defining consumer credit issues that will be important in the future and that may require legislative encouragement, prohibition, or regulation;

(c) Reviewing documents prepared by legislative staff on consumer credit issues; and

(d) Maintaining access to a pool of specialists and experts who can assist the legislature in consideration of consumer credit policy issues.

Subd. 5. [STAFF AND APPROPRIATIONS FOR THE COMMISSION.] *The legislative coordinating commission shall be responsible for staffing and appropriations to the commission as provided in Minnesota Statutes 1981*

Supplement, Section 3.304, Subdivision 2a. The legislative coordinating commission may delegate staffing responsibilities to an existing staff office of the house of representatives or the senate, a joint legislative committee or office, or a state agency.

The legislative coordinating commission may accept and receive, on behalf of the commission, any grants, gifts, or other funds made available to the state for purposes consistent with this section.

Subd. 6. [REPORT OF COMMISSION.] The commission shall issue its report on or before December 31, 1982.

Sec. 9. [EFFECTIVE DATE.]

Section 8 is effective the day after final enactment."

Amend the title as follows:

Page 1, line 2, delete "state lands and tax-forfeited land sales" and insert "interest rates"

Page 1, line 3, after "balances" insert "for state lands and tax-forfeited land sales; creating an interim legislative study commission on consumer credit"

The motion prevailed. So the amendment was adopted.

Mr. Tennesen then moved to amend H.F. No. 253, the unofficial engrossment, as follows:

Page 1, line 21, delete "4" and insert "4a"

Page 2, line 17, delete "4" and insert "4a"

Page 3, lines 15 and 33, delete "4" and insert "4a"

Page 4, line 24, delete "4" and insert "4a"

Page 5, line 35, delete "4" and insert "4a"

Page 6, line 33, delete "4" and insert "4a"

Page 7, lines 8 and 25, delete "4" and insert "4a"

The motion prevailed. So the amendment was adopted.

S.F. No. 1840, which the committee recommends to pass with the following amendment offered by Mr. Tennesen:

Page 3, lines 7 and 13, reinstate the stricken "five"

Page 3, lines 8 and 13, delete "seven"

The motion prevailed. So the amendment was adopted.

S.F. No. 1588, which the committee recommends to pass with the following amendment offered by Mr. Tennesen:

Page 2, line 21, delete "21" and insert "16"

Page 2, delete lines 22 to 36

Page 3, delete lines 1 to 11 and insert "Three members of the senate to be appointed by the committee on committees; three members of the house of representatives to be appointed by the speaker; five public members to be

appointed by the senate subcommittee on committees; and five public members to be appointed by the speaker of the house.

Two representatives and two senators shall be appointed from the majority caucus in each house and one representative and one senator from the minority caucus in each house. The public members shall broadly represent the various geographic areas, interests, and local governments in the state. At least two members shall be appointed from each of the following organizations:

(a) The league of cities, at least one of whom shall be an official of a city of less than 2,500 population;

(b) the association of Minnesota counties, at least one of whom shall be an official of a county outside of the metropolitan area;

(c) The Minnesota association of townships;

(d) The Minnesota association of regional commissions;

(e) The Minnesota school boards association.

All members appointed pursuant to clauses (a) to (e) shall be elected local government officials."

The motion prevailed. So the amendment was adopted.

S.F. No. 19, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Page 2, line 4, before "If" insert "If the court awards costs and expenses, including attorneys' fees, and"

The motion prevailed. So the amendment was adopted.

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate proceed to the Order of Business of Introduction and First Reading of Senate Bills. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Waldorf introduced—

S.F. No. 2197: A bill for an act relating to nursing homes; requiring new procedures for determining nursing home rates; amending Minnesota Statutes 1980, Sections 256B.41; 256B.47; and 256B.48; proposing new law coded in Minnesota Statutes, Chapter 256B; repealing Minnesota Statutes 1980, Sections 256B.42; 256B.43; 256B.44; 256B.45; and 256B.46.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Dahl introduced—

S.F. No. 2198: A bill for an act relating to commuter vehicles; providing a tax credit for corporations operating a ride-sharing program; providing a com-

muter vehicle investment tax credit; creating a vehicle registration category and setting vehicle registration fees for commuter vehicles; amending Minnesota Statutes 1980, Sections 168.011, by adding a subdivision; 168.013, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Olhoft, Sieloff and Chmielewski introduced—

S.F. No. 2199: A bill for an act relating to education; establishing a demonstration grant program for elementary pupils; appropriating money.

Referred to the Committee on Education.

Mr. Dicklich introduced—

S.F. No. 2200: A bill for an act relating to taxation; subjecting certain taconite production capacity to the taconite tax; amending Minnesota Statutes 1980, Section 298.24, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Ulland, Benson, Frederickson, Lindgren and Berg introduced—

S.F. No. 2201: A bill for an act relating to workers' compensation; changing benefits; providing for rehabilitation; requiring notices of injury; providing for the release of medical data; regulating supplemental benefits; providing for benefit adjustments; providing for various studies; defining terms; providing for continuance of certain insurance coverages; amending Minnesota Statutes 1980, Sections 62A.10, Subdivision 10; 62C.14, by adding a subdivision; 62D.10, by adding a subdivision; 176.011, Subdivision 3, and by adding subdivisions; 176.111, Subdivision 18; 176.131, Subdivisions 1, 1a, and 8; 176.132, Subdivision 1; 176.235, by adding a subdivision; and 176.641; Minnesota Statutes 1981 Supplement, Sections 176.021, Subdivision 3; 176.131, Subdivision 10; 176.132, Subdivision 2; 176.221, Subdivisions 1, 2, and 3; and 176.645, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 176; repealing Minnesota Statutes 1980, Sections 176.011, Subdivisions 14 and 18; 176.095; 176.101, as amended; 176.102, as amended; 176.105, as amended; 176.111, as amended; and 176.235, Subdivisions 1 and 2; Minnesota Statutes 1981 Supplement, Sections 176.021, Subdivision 3a; and 176.152.

Referred to the Committee on Employment.

Messrs. Ulland, Frederickson and Benson introduced—

S.F. No. 2202: A bill for an act relating to workers' compensation; replacing the current law with law based on that recently enacted by the state of Florida; proposing new law coded as Minnesota Statutes, Chapter 176; repealing Minnesota Statutes 1980, Chapter 176, as amended.

Referred to the Committee on Employment.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that H.F. No. 1220 be withdrawn from the Com-

mittee on Rules and Administration and re-referred to the Committee on Employment. The motion prevailed.

Ms. Berglin moved that her name be stricken as chief author and Mr. Peterson, C.C. be added as chief author to S.F. No. 1579. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Order of Business of Reports of Committees. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on H.F. No. 1555. The motion prevailed.

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

S.F. No. 2036: A bill for an act relating to municipal industrial development; defining development projects; amending Minnesota Statutes 1980, Section 474.02, Subdivision 1b.

Reports the same back with the recommendation that the report from the Committee on Governmental Operations, shown in the Journal for February 24, 1982, be amended to read:

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. Moe, R.D. from the Committee on Rules and Administration, to which was re-referred

H.F. No. 2066: A bill for an act relating to local government; providing for city facilities related to armories; authorizing issuance of bonds; proposing new law coded in Minnesota Statutes, Chapter 193.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Taxes and Tax Laws. Report adopted.

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

S.F. No. 1532: A bill for an act relating to taxation; permitting the city of Lonsdale to impose a special levy for fire protection purposes.

Reports the same back with the recommendation that the report from the Committee on Local Government and Urban Affairs, shown in the Journal for February 18, 1982, be amended to read:

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. Moe, R.D. from the Committee on Rules and Administration, to which was re-referred

S.F. No. 1242: A bill for an act relating to state employees; creating an incentive pay program; proposing new law coded in Minnesota Statutes, Chapter 16.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Public Employees and Pensions. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was re-referred

S.F. No. 588: A bill for an act proposing an amendment to the Minnesota Constitution, Article XIV, Section 11; revising certain restrictions on highway bonds.

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was re-referred

S.F. No. 303: A bill for an act proposing an amendment to the Minnesota Constitution, Article X, adding a section; authorizing parimutuel betting on races if authorized by law; dedicating earnings to social services for compulsive gamblers and to combatting organized crime.

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

S.F. No. 2127: A resolution memorializing the President and Congress of the United States to take immediate steps to curb the sources of acid rain.

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

Senate Concurrent Resolution No. 12: A Senate concurrent resolution expressing the importance of clean air and urging the Minnesota Pollution Control Agency to maintain strong air quality standards that will fully provide the necessary protection for the State of Minnesota.

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

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

S.F. No. 1847: A bill for an act relating to agriculture; formulating a state agricultural land preservation policy; imposing duties on state agencies regarding agency actions adversely affecting agricultural land; continuing the existence of the joint legislative committee on agricultural land preservation; allocating certain state cost-sharing funds for high priority soil erosion, sedimentation and water control problems identified by local soil and water conservation districts; imposing duties on state and local soil and water conservation boards; providing technical and administrative assistance grants to local districts; requiring coordination of state soil and water conservation programs with other public agencies; establishing a conservation tillage demonstration program; appropriating money; amending Minnesota Statutes 1980, Sections 15.0412, by adding a subdivision; 40.03, Subdivision 4; 40.036; 40.07, Sub-

division 9; and Laws 1979, Chapter 315, Section 2; proposing new law coded in Minnesota Statutes, Chapters 17 and 40; repealing Minnesota Statutes 1980, Section 473H.13; and Laws 1979, Chapter 315, Section 1.

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

Page 1, line 26, after "PRESERVATION" insert "AND CONSERVATION"

Page 3, line 16, after "use" insert "*except acquisition for any unit of the outdoor recreation system described in section 86A.05, other than a trail described in subdivision 4 of that section*"

Page 3, line 19, after "use" insert "*except for mineral exploration or mining*"

Page 3, line 22, delete everything after "land"

Page 3, line 23, delete everything before "which" and delete "currently"

Page 3, line 24, after "use" insert a comma and delete "is either" and insert "has been"

Page 3, line 24, after "land" insert "by a local unit of government"

Page 3, line 24, after "pursuant" insert "to sections 394.21 to 394.37, 462.351 to 462.364, 366.10 to 366.19 or 473H.04,"

Page 3, line 25, delete everything before "or" and after "or" insert "which"

Page 3, line 27, delete "soil" and insert "land" and delete everything after "system"

Page 3, line 28, delete "conservation service" and delete "department" and insert "Department"

Page 3, line 29, delete "agriculture" and insert "Agriculture Soil Conservation Service and the county soil survey, if completed"

Page 3, delete lines 31 to 34 and insert "*use of land for the production of livestock, dairy animals, dairy products, poultry and poultry products, fur bearing animals, horticultural and nursery stock which is under sections 18.44 to 18.61, fruit of all kinds, vegetables, forage, grains, bees, and apiary products. Wetlands, pasture and woodlands accompanying land in agricultural use shall be considered to be in agricultural use.*"

Page 5, line 10, delete everything after "it" and insert "shall be deemed a recommendation that the agency take the action as proposed."

Page 5, line 18, after "2," insert "as amended by Laws 1981, Chapter 78, Section 1,"

Page 5, line 22, after "preservation" insert "and conservation"

Page 8, line 26, after "allocate" insert "not more than"

Page 8, line 28, delete "and" and insert "or"

Page 8, line 29, delete "identified in" and insert "based on"

Page 8, line 30, after "districts" insert "and statewide priorities established"

by the board"

Page 8, line 34, after "board" insert "for administrative expenses and"

Page 8, line 35, delete "expenses" and insert "assistance"

Page 9, line 35, delete everything after "(b)"

Page 9, delete line 36

Page 10, line 1, delete everything before "standards"

Page 13, line 5, delete "cultivation and"

Page 13, after line 9, insert:

"The board may establish guidelines for the implementation of this section. The guidelines need not be adopted as rules under chapter 15."

Page 13, delete section 13

Page 13, line 24, delete "\$....." and insert "\$150,000"

Page 13, line 25, delete "13" and insert "12" and delete "\$....." and insert "\$100,000"

Page 13, after line 25, insert:

"(c) For staff support to implement sections 8 to 12" \$ 50,000

Page 13, line 33, delete "15" and insert "14"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "preservation" insert "and conservation"

Page 1, line 20, after "2" insert ", as amended"

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

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

S.F. No. 2081: A bill for an act relating to agriculture; establishing an apiary account in the state treasury; appropriating money; amending Minnesota Statutes 1980, Section 19.19, Subdivision 3.

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

Page 1, line 14, delete ". The money in the"

Page 1, delete lines 15 to 24 and insert "and may be appropriated only for the purpose of enforcing and administering this chapter."

Amend the title as follows:

Page 1, line 3, 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. Johnson from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 1947: A bill for an act relating to taxation; imposing certain requirements and restrictions on the use of tax increment financing; amending Minnesota Statutes 1980, Sections 273.73, Subdivisions 10 and 13; 273.74, Subdivisions 1, 3 and 4, and by adding a subdivision; 273.75, Subdivisions 3, 4 and 6, and by adding a subdivision; 273.76, Subdivisions 1 and 4; and 273.77; and Minnesota Statutes 1981 Supplement, Section 273.74, Subdivision 2.

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

Page 2, line 29, after "right-of-way" insert " ; or

(5) The property consists of vacant, unused, underused, inappropriately used or infrequently used railyards, rail storage facilities or excessive or vacated railroad rights-of-way"

Page 5, line 5, delete "45" and insert "30"

Page 5, line 6, after "transmittal" insert "by the authority"

Page 5, lines 17 to 19, delete the new language

Pages 6 and 7, delete section 6

Page 7, lines 26 and 27, delete "project" and insert "district"

Page 8, after line 4, insert:

"Sec. 7. Minnesota Statutes 1980, Section 273.75, Subdivision 2, is amended to read:

Subd. 2. [EXCESS TAX INCREMENTS.] In any year in which the tax increment exceeds the amount necessary to pay the costs authorized by the tax increment financing plan, including the amount necessary to cancel any tax levy as provided in section 475.61, subdivision 3, the authority shall use the excess amount to *do any of the following, in the order determined by the authority:* (a) prepay any outstanding bonds, (b) discharge the pledge of tax increment therefor, (c) pay into an escrow account dedicated to the payment of such bond, or ~~shall~~ (d) return the excess amount to the county auditor who shall distribute the excess amount to the municipality, county and school district in which the tax increment financing district is located in direct proportion to their respective mill rates."

Page 9, line 5, delete "or" and insert a comma

Page 9, line 5, after "recreational" insert "or conference"

Page 10, line 3, after "parcel" insert "*that has been so eliminated subsequent to two years from the date of the original certification*"

Page 10, line 33, delete "the" and insert "*each economic development*"

Page 10, line 35, delete "*the percentage increase in the*"

Page 10, delete line 36

Page 11, delete line 1

Page 11, line 2, delete "*property*" and insert "*the average percentage increase in the assessed valuation of all property included in the economic development district during the five years prior to certification of the district*"

Page 12, line 2, after the comma, insert "*excluding the assessed valuation of improvements for which a building permit was issued during the three month period immediately preceding said approval of the tax increment financing plan,*"

Page 17, line 3, delete "*project*" and insert "*district*"

Renumber the sections in sequence

Amend the title as follows:

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

Page 1, line 7, after "Subdivisions" insert "2,"

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

Mr. Johnson from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1460: A bill for an act relating to safety; imposing an additional fee for two-wheeled vehicle endorsements for motorcycle safety programs; providing for the disposition of the proceeds of the additional fee; exempting from the motor vehicle excise tax certain purchasers of motorized bicycles for resale; establishing an advisory committee on motorcycle safety; prescribing duties of the commissioners of public safety and education; establishing a fund; making a standard appropriation; amending Minnesota Statutes 1980, Sections 171.06, by adding a subdivision; 297B.035, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 126.

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

Mr. Johnson from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1451: A bill for an act relating to metropolitan government; providing for the establishment and operation of a water planning and management program in the metropolitan area; requiring watershed and local water management plans; providing for the establishment and operation of watershed management organizations; authorizing counties, cities, and towns to bond for certain watershed improvements; authorizing taxes; amending Minnesota Statutes 1980, Sections 112.35, by adding a subdivision; 112.37, Subdivision 1, and by adding a subdivision; 112.42, Subdivision 3 and by adding a subdivision; 112.43, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 473.

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

Page 7, line 36, delete everything after "*shall*"

Page 8, delete lines 1 and 2

Page 8, line 3, delete "*district*" and insert "*have boundaries which are*

based upon negotiations among all local government units which may have territory within the district and adjacent watersheds and shall not cross county boundaries to include territory whose distinguishing characteristic is multiple drainage points into a primary river"

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

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

S.F. No. 1526: A bill for an act relating to taxation; real property; eliminating tax recapture or payment acceleration of deferred special assessments upon certain sales of qualifying agricultural property; amending Minnesota Statutes 1980, Section 273.111, Subdivisions 9, 11, and by adding a subdivision.

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

Pages 1 and 2, delete sections 1 and 2

Page 2, delete lines 25 to 31 and insert:

"Subd. 11a. When real property qualifying under subdivisions 3 and 6 is sold, any additional taxes or deferred special assessments which would have become due and payable under this section shall be further deferred if the property continues to qualify under subdivisions 3 and 6 and if the new owner, on or before the date of the sale, files an application for continued deferment and an agreement to assume liability for the additional taxes and deferred special assessments plus interest which would have become due and payable.

The liability for additional taxes which is assumed by the new owner shall be reduced by any amount of additional taxes which may be extended against the property when the property again no longer qualifies under subdivisions 3 and 6, so that additional taxes are levied only with respect to the last three years that the property is valued and assessed under this section."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "eliminating" and insert "allowing further deferment of"

Page 1, line 6, delete "Subdivisions 9, 11, and"

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

S.F. No. 1450: A bill for an act relating to snowmobiles; increasing registration fees and appropriating collections for recreational purposes; amending Minnesota Statutes 1980, Sections 84.82, Subdivision 3; and 84.83.

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

Pages 1 and 2, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 1980, Section 84.82, is amended by adding a subdivision to read:

Subd. 9. [COLLECTORS' SNOWMOBILES.] Any snowmobile that is at least 15 model years old and originally licensed as a separate identifiable make as designated by the manufacturer, and owned and operated solely as a collector's snowmobile, shall be listed for registration as follows: An affidavit shall be executed stating the make of the snowmobile, year and number of the model, the manufacturer's identification number and that the vehicle is owned and operated solely as a collector's item and not for general transportation purposes. If the registrar is satisfied that the affidavit is true and correct and the owner pays a one-time fee of \$25, in lieu of the fees required by subdivision 3, the registrar shall list such vehicle. The registration number so issued shall bear the most recent applied registration number. These numbers are valid without renewal as long as the vehicle is in existence and shall be issued for the applicant's use only for such vehicle. The registrar has the power to revoke such registration for failure to comply with this subdivision. The provisions of sections 84.84 to 84.90 shall apply to snowmobiles registered pursuant to this subdivision.

Sec. 3. Minnesota Statutes 1980, Section 84.83, is amended to read:

84.83 [DISPOSITION OF RECEIPTS.]

Fees from registration of snowmobiles shall be deposited with the state treasurer to the credit of the general in the snowmobile trail fund. Subject to appropriation by the legislature, the snowmobile trail fund is available only for expenditure by the commissioner for the acquisition, construction and maintenance of snowmobile trails, grants to local units of government for those purposes, and associated administrative costs of the department. Not more than ten percent of the fund may be used for administrative costs.

Sec. 4. [FUND TRANSFER.]

The amount of fees collected under section 1 during the biennium ending June 30, 1983, which is attributable to the fee schedule in effect before the enactment of this act shall be transferred from the snowmobile trail fund to the general fund."

Amend the title as follows:

Page 1, line 5, after "3" insert "4, and by adding a subdivision"

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

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

H.F. No. 1555: A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; governing the recognition of school district property tax revenues and the computation of levies; granting certain powers and duties to school districts, the state board of education, and others; altering the method of distribution of transportation aid; altering aids for summer school; repealing certain administrative rules; reducing certain appropriations; appropriating money; amending Minnesota Statutes 1980, Sections 120.17, Subdivision 4a; 121.11, Subdivision 12; 121.908,

Subdivision 3; 121.912, Subdivisions 2 and 3; 122.90, Subdivision 1; 123.37, Subdivision 1b; 123.741, Subdivision 1; 123.78, Subdivision 1; 124.19, Subdivision 1, and by adding a subdivision; 124.213, Subdivision 1; 124.32, Subdivisions 7 and 10; 126.262, Subdivision 1; 126.264, Subdivision 3; 126.265; 126.267; 134.34, by adding a subdivision; 275.125, Subdivision 1a, as added; 275.125, Subdivisions 2a, 2d, 2e, 5, as amended, 6b, 6c, 7a, 7c, 9, 19, 20, and by adding subdivisions; 275.48; 298.28, Subdivision 1; 475.61, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivisions 5a and 6; 121.904, Subdivisions 4 and 7; 122.531, Subdivision 6; 122.542, Subdivisions 3 and 4; 123.35, by adding a subdivision; 123.702, Subdivisions 1 and 1a; 123.705; 124.01, Subdivision 1; 124.17, Subdivision 2; 124.2121, Subdivisions 2, 4, and 5, as amended; 124.2122, Subdivisions 1, and 2, as amended; 124.2123, Subdivisions 1, 3, and by adding a subdivision; 124.2124, Subdivisions 1, as amended, and 3; 124.2125, Subdivision 1, as amended; 124.2126, Subdivision 3; 124.2128, Subdivisions 1 and 5; 124.2129, Subdivision 3, and by adding a subdivision; 124.213, Subdivision 2; 124.223; 124.225, as amended; 124.245, Subdivisions 1 and 1a; 124.251; 124.271, Subdivision 2a; 124.32, Subdivisions 1, 1a, and 5; 124.38, Subdivision 7; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 125.611, Subdivision 5; 136A.81, Subdivision 1; 275.125, Subdivisions 8 and 11b; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3; Article VII, Section 29, as amended; Third Special Session Chapter 2, Article II, Sections 1, 2, 15, and 20; Article IV, Sections 3, Subdivisions 2 and 3; 5, Subdivision 3, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 120 and 124; repealing Minnesota Statutes 1980, Sections 121.904, Subdivisions 4a and 4b, as added; 121.96; 123.37, Subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14; 128.05; Laws 1967, Chapters 251 and 253; and Laws 1976, Chapter 20, Section 8.

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

Delete everthing after the enacting clause and insert:

“ARTICLE I

FOUNDATION AID

Section 1. Minnesota Statutes 1981 Supplement, Section 124.2122, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article II, Section 5, is amended to read:

Subdivision 1. [FORMULA ALLOWANCE.] “Foundation aid formula allowance” or “formula allowance” means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. The formula allowance shall be \$1,333 for foundation aid for the 1981-1982 school year. The formula allowance shall be \$1,346 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year. *The formula allowance shall be \$1,416 for the 1982 payable 1983 levies and for foundation aid for the 1983-1984 school year.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 124.2122, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article II, Section 6, is amended to read:

Subd. 2. [BASIC MAINTENANCE MILL RATE.] "Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in the school year. The basic maintenance mill rate shall be .021 for the 1980 payable 1981 levy and for foundation aid for the 1981-1982 school year. The basic maintenance mill rate shall be .024 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year. *The basic maintenance mill rate shall be .024 for the 1982 payable 1983 levies and for foundation aid for the 1983-1984 school year. A district may levy less than 24 mills. Foundation aids shall be computed as if the district had levied 24 mills.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 124.2124, is amended by adding a subdivision to read:

Subd. 4. [RECOMPUTED REPLACEMENT ALLOWANCE.] Notwithstanding any law to the contrary, if the amounts derived by applying the provisions of Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clause (7) in Minnesota Statutes 1980, Sections 124.212, Subdivision 7c, Clause (4)(a) and 275.125, Subdivision 6c, Clause (1)(a)(i)(A), or Clause (1)(b) for any district where the actual number of pupil units increased from the 1979-1980 school year to the 1980-1981 school year, are smaller than the amounts which would have been derived under those sections for the district by using the quotient in Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clause (6)(a), then the amounts derived in Minnesota Statutes 1980, Sections 124.212, Subdivision 7c, Clause (4)(a) and 275.125, Subdivision 6c, Clause (1)(a)(i)(A), or Clause (1)(b) shall be recomputed for all purposes using the quotient in Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clause (6)(a), notwithstanding the district's increase in actual pupil units from the 1979-1980 to the 1980-1981 school year. The recomputed amounts shall be used in lieu of the amounts derived in Minnesota Statutes 1980, Section 124.212, Subdivision 7c, Clause (4)(a) and 275.125, Subdivision 6c, Clause (1)(a)(i)(A) or Clause (1)(b) for purposes of determining the district's authorized levies and foundation aid.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 124.2125, Subdivision 2, is amended to read:

Subd. 2. [DISCRETIONARY MILL RATE.] "Discretionary mill rate" means the mill rate used to compute the discretionary levy, the discretionary allowance, and discretionary aid for use in a particular school year. The discretionary mill rate shall equal .001 for 1981-1982 aid. For the 1981 payable 1982 levy and 1982-1983 aid, and for the levy and aid for succeeding years, the discretionary mill rate shall ~~equal~~ *not exceed* .00225 in districts which levy pursuant to section 275.125, subdivision 7a, clause (2), and .001 in districts which levy pursuant to section 275.125, subdivision 7a, clause (3).

Sec. 5. Minnesota Statutes 1981 Supplement, Section 124.2126, Subdivision 3, is amended to read:

Subd. 3. [MINIMUM AID.] A qualifying district's minimum aid for each school year shall equal its minimum guarantee for that school year, minus the sum of:

- (1) The amount of the district's state school agricultural tax credit aid for that

school year;

(2) The amount by which property taxes of the district for use in that school year are reduced by the homestead credit provisions in section 273.13, subdivisions 6, 7, and 14a;

(3) The amount by which property taxes of the district for use in that school year are reduced by the taconite homestead credit provisions in section 273.135; ~~and~~

(4) The amount by which property taxes of the district for use in that school year are reduced by the attached machinery provisions in section 273.138, subdivision 6;

(5) *The amount by which property taxes of the district for use in that school year are reduced by the state paid wetlands credit provisions in section 273.115;*

(6) *The amount by which property taxes of the district for use in that school year are reduced by the state paid native prairie credit provisions in section 273.116; and*

(7) *The amount by which property taxes of the district for use in that school year are reduced by the credit for reduced assessment provisions in section 273.139.*

Sec. 6. Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 2d, is amended to read:

Subd. 2d. [REFERENDUM LEVY.] (1) The levy authorized by subdivision 2a may be increased in any amount which is approved by the voters of the district at a referendum called for the purpose. Such a referendum may be called by the school board or shall be called by the school board upon written petition of qualified voters of the district. The referendum shall be held on a date set by the school board. Only one such election may be held to approve a levy increase which will commence in a specific school year. The question on the ballot shall state the maximum amount of the increased levy in mills, the amount that will be raised by that millage in the first year it is to be levied, and that the millage shall be used to finance school operations. The question may designate a specific number of years for which the referendum authorization shall apply. If approved, the amount provided by the approved millage applied to each year's taxable valuation shall be authorized for certification for the number of years approved, if applicable, or until revoked *or reduced* by the voters of the district at a subsequent referendum.

(2) A referendum on the question of revoking *or reducing* the increased levy amount authorized pursuant to clause (1) of this subdivision may be called by the school board and shall be called by the school board upon the written petition of qualified voters of the district. A levy approved by the voters of the district pursuant to clause (1) of this subdivision must be made at least once before it is subject to a referendum on its revocation *or reduction* for subsequent years. Only one such revocation *or reduction* election may be held to revoke *or reduce* a levy for any specific year and for years thereafter.

(3) A petition authorized by ~~clauses clause (1) or (2)~~ shall be effective if signed by a number of qualified voters in excess of 15 percent, or ten percent if the school board election is held in conjunction with a general election, of the

average number of voters at the two most recent district wide school elections. A referendum invoked by petition shall be held within three months of submission of the petition to the school board.

(4) A petition authorized by clause (2) shall be effective if signed by a number of qualified voters in excess of five percent of the residents of the school district as determined by the most recent census. A revocation or reduction referendum invoked by petition shall be held within three months of submission of the petition to the school board.

(4) (5) Notwithstanding any law to the contrary, the approval of 50 percent plus one of those voting on the question is required to pass a referendum.

(5) (6) Within 30 days after the district holds a referendum pursuant to this clause, the district shall notify the commissioner of education of the results of the referendum.

Sec. 7. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 6d. [SPECIAL GRANDFATHER LEVY.] (1) For purposes of this subdivision, the term "grandfather allowance" shall have the meaning given it in section 124.2123.

(2) In 1982, any district which has a grandfather allowance that is less than \$50 per actual pupil unit may make an additional levy for school maintenance purposes as provided in clause (3).

(3) The additional levy in 1982 shall not exceed an amount equal to the difference between \$50 per actual pupil unit and the grandfather allowance of the district times the number of actual pupil units in the district in the 1981-82 school year.

(4) In 1983 and each year thereafter, a district which qualified under clause (2) to make an additional levy may levy an amount equal to the greater of

(a) the amount levied pursuant to this subdivision in 1982, or

(b) the amount in clause (3) times the number of actual pupil units in the district in the school year preceding the year in which the levy is certified.

Sec. 8. Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 7a, is amended to read:

Subd. 7a. [DISCRETIONARY LEVY.] (1) For purposes of this subdivision, the terms "discretionary allowance" and "discretionary mill rate" shall have the meanings given them in section 124.2125.

(2) In 1981 and each year thereafter, a district which levies the maximum permissible amount pursuant to subdivision 2a and subdivision 6b may levy an additional amount which shall not exceed the lesser of (a) an amount equal to the discretionary mill rate times the district's adjusted assessed valuation for the preceding year or (b) the product obtained by multiplying the applicable discretionary allowance times the actual and AFDC pupil units in the district in the school year when the levy is certified.

(3) In 1981 and each year thereafter, a district which levies the maximum permissible amount pursuant to subdivision 2a and subdivision 6b, and where the net unappropriated balance in all operating funds as of the preceding June

30 is less than \$165 per actual and AFDC pupil unit in the district in the school year when the levy is certified, may levy an amount which shall not exceed the lesser of (a) one mill times the district's adjusted assessed valuation for the preceding year or (b) the product obtained by multiplying the applicable discretionary allowance times the total number of pupil units in the district in the school year when the levy is certified, without holding a public hearing or conducting a referendum pursuant to clause (5).

(4) The board is not required to hold a public hearing or conduct a referendum on the levy authorized by this subdivision in any year when it levies pursuant to clause (3) or when the board proposes to levy an amount not to exceed an amount equal to the preceding year's adjusted assessed valuation times the largest number of EARC mills previously levied by the district pursuant to this subdivision.

(5)(a) Except as provided in clause (3), the provisions of clause (5) shall apply to the levy authorization in this subdivision in any year when the board either proposes to levy pursuant to this subdivision for the first time or proposes to increase the number of mills which it levies against its adjusted assessed valuation pursuant to this subdivision to a number of mills greater than the largest number of mills previously levied against its adjusted assessed valuation pursuant to this subdivision.

(b) By July 15 in any year when clause (5) applies, the board of the district shall hold a public hearing on the need for the proposed levy or increase. At least three weeks published notice of the hearing in 10 point type or 5.0 agate type, with a larger headline, shall be given in the legal newspaper with the largest circulation in the district. The notice shall state the amount of the proposed levy or increase in dollars, in EARC mills and in auditor's mills and the estimated net unappropriated fund balance in the district's operating funds as of the June 30 before the levy or increase is certified.

(c) At the hearing, the district shall present its proposed revenue and expenditure budgets for the next two school years, the estimated net unappropriated fund balances in all district funds as of the June 30 before the levy or increase is certified, and the estimated amount in dollars, in EARC mills and in auditor's mills of any reduction of the proposed levy which may be required by subdivision 7c. At the hearing, the board shall also hear all parties requesting to give testimony for and against the proposed levy or increase. Upon receipt of a petition within 30 days after the hearing, the board shall call a referendum on the proposed levy or increase. A petition shall be effective if signed by a number of qualified voters in the district equal to the greater of 50 voters or 15 percent of the number of voters who voted in the district at the most recent regular school board election excess of three percent of the residents of the school district as determined by the most recent census.

(d) The referendum shall be held on a date set by the school board, but no later than the September 20 before the levy is certified.

The ballot shall state substantially the following, as appropriate:

The board of School District No. has proposed (a discretionary levy in a maximum amount of EARC mills which would raise) (to increase a discretionary levy from EARC mills to EARC mills. This increase would provide an additional) \$..... in the first year

levied.

..... Yes Shall the (increase in the) discretionary levy
 No proposed by the Board of School
 District No. be approved?

(e) The approval of a majority of those voting on the question is required to pass the referendum.

(f) If a petition is not received or if the proposed levy or increase is approved at a referendum, the district may levy the amount provided by the number of mills proposed by the school board, in the year when the hearing or referendum is held and in succeeding years. If a proposed first time levy is not approved, except as provided in clause (3), the district may not levy pursuant to this subdivision in the year when the referendum is held and shall be required to comply with the provisions of clause (5) before levying pursuant to this subdivision in a subsequent year. If a proposed increase is not approved, the district may levy an amount not to exceed the amount provided by the largest number of EARC mills *the district was previously levied by the district authorized to levy pursuant to this subdivision*, applied to the preceding year's adjusted assessed valuation.

Sec. 9. [BASIC MAINTENANCE UNDERLEVIES.]

In fiscal years 1983 and 1984, the deduction from basic foundation aid pursuant to Minnesota Statutes 1981 Supplement, Section 124.2128, Subdivision 1, shall be computed as though the basic maintenance mill rate for tax levies attributable to that school year were .023, and without regard to whether a district levied an additional amount for basic maintenance as authorized by Laws 1981, Third Special Session Chapter 2, Article II, Section 12.

Sec. 10. [EFFECTIVE DATE.]

Section 3 shall be effective for the 1983-1984 school year. Sections 6 and 8 are effective the day following final enactment.

ARTICLE II

TRANSPORTATION

Section 1. Minnesota Statutes 1981 Supplement, Section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.]

School transportation and related services for which state transportation aid is authorized are:

(1) [TO AND FROM SCHOOL; BETWEEN SCHOOLS.] (a) ~~Through the 1981-1982 school year, transportation or board of resident pupils who reside one mile or more from the public schools which they could attend, or transportation to, from, or between the schools they attend pursuant to a program approved by the commissioner of education, or who reside one mile or more from a nonpublic school actually attended, but only to the extent permitted by sections 123.76 to 123.79 with respect to nonpublic school pupils;~~

(b) ~~Beginning in the 1982-1983 school year, Transportation or board of resident elementary pupils who reside one mile or more from the public schools which they could attend; transportation or board of resident secondary pupils~~

who reside two miles or more from the public schools which they could attend; transportation to, from, or between the schools the resident pupils attend pursuant to a program approved by the commissioner of education; transportation of resident elementary pupils who reside one mile or more from a nonpublic school actually attended; transportation of resident secondary pupils who reside two miles or more from a nonpublic school actually attended; but with respect to transportation of pupils to nonpublic schools actually attended, only to the extent permitted by sections 123.76 to 123.79;

(2) [OUTSIDE DISTRICT.] Transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school; the pupils may attend a classified secondary school in another district and shall receive board and lodging in or transportation to and from a district having a classified secondary school at the expense of the district of the pupil's residence;

(3) [SECONDARY VOCATIONAL CENTERS.] Transportation to and from a state board approved secondary vocational center for secondary vocational classes for resident pupils of any of the districts who are members of or participating in programs at that center;

(4) [HANDICAPPED.] Transportation or board and lodging of a handicapped pupil when that pupil cannot be transported on a regular school bus, the conveying of handicapped pupils between home and school and within the school plant, necessary transportation of handicapped pupils from home or from school to other buildings, including hospitals and treatment centers where special instruction or services required by section 120.17 are provided, within or outside the district where services are provided, and necessary transportation for resident handicapped pupils required by section 120.17, subdivision 4a. Transportation of handicapped pupils between home and school shall not be subject to the requirement in clause (1) that ~~the pupil~~ *elementary pupils* reside at least one mile from school *and secondary pupils reside at least two miles from school* in order for the transportation to qualify for aid;

(5) [BOARD AND LODGING; NONRESIDENT HANDICAPPED.] When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(6) [SHARED TIME.] Transportation from one educational facility to another within the district for resident pupils enrolled on a shared time basis in educational programs approved by the commissioner of education, and necessary transportation required by section 120.17, subdivision 9 for resident handicapped pupils who are provided special instruction and services on a shared time basis;

(7) [FARIBAULT STATE SCHOOLS.] Transportation for residents to and from the Minnesota school for the deaf or the Minnesota braille and sight-saving school;

(8) [SUMMER SCHOOL.] Services described in clauses (1) to (7) and clauses (9) and (10) when provided in conjunction with a state board approved summer school program;

(9) [COOPERATIVE ACADEMIC AND VOCATIONAL.] Transportation to, from or between educational facilities located in any of two or more school districts jointly offering academic classes approved by the commissioner or

secondary vocational classes not provided at a secondary vocational center which are approved by the commissioner for resident pupils of any of these districts; and

(10) [NONPUBLIC SUPPORT SERVICES.] Necessary transportation within district boundaries between a nonpublic school and a public school or a neutral site for nonpublic school pupils who are provided pupil support services pursuant to section 123.935.

Sec. 2. Minnesota Statutes 1980, Section 124.225, as amended by Laws 1981, Chapters 356, Section 167; 358, Article II, Sections 3 to 14; First Special Session Chapter 2, Section 8; and Third Special Session Chapter 2, Article II, Section 9, is amended to read:

124.225 [TRANSPORTATION AID ENTITLEMENT.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, the terms defined in this subdivision have the meanings given to them.

(a) "FTE" means a transported full time equivalent pupil whose transportation is authorized for aid purposes by section 124.223.

(b) "Region" means development region as defined in section 462.384, subdivision 5, except that for purposes of this section, development regions 1 and 2 are one region, development regions 4 and 5 are one region, development regions 6E and 6W are one region, and development regions 7E and 7W are one region.

(c) ~~(b) "Total Authorized cost for regular transportation" or "total authorized expenditure" means the sum of:~~

~~(i) (1) all expenditures for transportation in the regular category, as defined in clause (e)(1), for which aid is authorized in section 124.223, plus~~

~~(ii) (2) an amount equal to one year's depreciation on the district's school bus fleet and mobile units computed on a straight line basis at the rate of 12-1/2 percent per year of the cost of the fleet, plus~~

~~(iii) (3) an amount equal to one year's depreciation on district school buses reconditioned by the department of corrections computed on a straight line basis at the rate of 33-1/3 percent per year of the cost to the district of the reconditioning.~~

(d) (c) "Total Adjusted authorized predicted cost" means the total authorized cost predicted by a multiple regression formula determined by the department of education.

(d) "Aid entitlement" means the total amount of basic transportation aid earned by a district before the subtraction of the levy amount provided in subdivision 8a.

(e) "Transportation category" means a category of transportation service provided to pupils. Each category includes transportation provided during the regular school year and in conjunction with a state board approved summer school program. For purposes of this section, transportation categories are as follows:

(i) (1) Regular transportation is transportation services provided under section 124.223, clauses (1) and (2), excluding transportation between schools

under section 124.223, clause (1);

(ii) (2) ~~Secondary vocational center~~ During-day transportation is transportation services *between schools* provided under section 124.223, clause ~~(3)~~ (1), and transportation services provided under section 124.223, clauses (3) and (9), and transportation services provided under section 124.223, clause (6), excluding transportation provided for pupils attending shared time special education classes;

(iii) (3) Handicapped transportation is transportation services for pupils attending shared time special education classes provided under section 124.223, clause (6), and transportation services provided under section 124.223, clause (4), excluding board and lodging and excluding transportation to and from board and lodging facilities;

(iv) (4) Board and lodging is services provided, in lieu of transportation, under section 124.223, clauses (4) and (5);

(v) ~~Between schools transportation is transportation services between schools provided under section 124.223, clause (1);~~

(vi) Shared time regular transportation is transportation services provided under section 124.223, clause (6), excluding transportation provided for pupils attending shared time special education classes;

(vii) Shared time special education transportation is transportation services for pupils attending shared time special education classes provided under section 124.223, clause (6);

(viii) (5) To and from board and lodging facility transportation is transportation services to and from board and lodging facilities provided under section 124.223, clauses (4) and (7);

(ix) ~~Cooperative academic and vocational transportation is transportation services provided under section 124.223, clause (9);~~

(x) (6) Nonpublic health, guidance and counseling transportation is transportation services provided under section 124.223, clause (10);

(f) "Pupil weighting factor" means the ratio of the actual regional district average cost per FTE in a particular transportation category to the actual regional district average cost per FTE in the regular transportation category in the base year.

(g) "Weighted FTE's" means the number of FTE's in each transportation category multiplied by the pupil weighting factor for that category.

(h) "Mobile unit" means a vehicle or trailer designed to provide facilities for educational programs and services, including diagnostic testing, guidance and counseling services and health services. A mobile unit located off non-public school premises is a neutral site as defined in section 123.932, subdivision 9.

(i) "Percent excess handicapped FTE's transported" means the result of the following computation for the current year:

one, minus the product of

(1) the ratio of the number of FTE pupils transported in the handicapped

category in the state to the number of FTE pupils transported in the handicapped category in the district; times

(2) the ratio of the number of FTE pupils transported in the regular category in the district to the number of FTE pupils transported in the regular category in the state.

(j) "Current year" means the school year for which aid will be paid.

(k) "Base year" means the second school year preceding the school year for which aid will be paid.

(l) "Base cost" means the authorized regular transportation cost per FTE in the base year in the regular transportation category, excluding summer school transportation.

(m) "Predicted base cost" means the base cost as predicted by subdivision 3.

Subd. 1a. [WEIGHTING FACTORS.] For each school year, in computing transportation aid, the department of education shall establish as needed the pupil weighting factors for each transportation category for each ~~region~~ district using transportation cost data for the second prior school year. The department shall use the statewide pupil weighting factor for any transportation category for which a ~~region~~ district had no experience during the second prior school year.

Subd. 3. [FORMULA.] For each school year, the state shall pay to each school district for all pupil transportation and related services for which the district is authorized by law to receive state aid an amount determined according to this section. ~~A multiple regression formula shall be determined through stepwise~~ The department of education shall conduct multiple regression analysis for each region by the department of education, using the terms specified in subdivision 4a, to maximize the amount of variance accounted for between the total actual authorized cost per weighted FTE for the second preceding school year and the total authorized predicted cost per weighted FTE for the second preceding school year predict the base cost for each district. The A formula determined for each region shall be derived based upon the regression analysis, but excluding the factors described in subdivision 4a, clauses (8), (9), and (10), except that in the 1982-1983 school year, these clauses shall not be excluded. This formula shall be used to determine a total authorized predicted base cost per weighted FTE for the second preceding school year for each district in the region. The amount determined for each district shall be adjusted according to the provisions of subdivisions 6 7a and 7a 7b.

Subd. 4a. [FORMULA TERMS.] To predict the total authorized base cost per weighted FTE for each district pursuant to subdivision 3, each regional the multiple regression formula shall use the following terms and their squares for each district in the region:

- (1) The area of the district measured in square miles;
- (2) The district's average daily membership;
- (2) The reciprocal of the district's average daily membership;
- (3) The total number of authorized FTE's transported by the district;
- (4) The total number of authorized FTE's transported by the district in the

handicapped, shared time special education, and to and from board and lodging facility transportation categories as a percentage of the total number of authorized FTE's transported by the district;

(5) The number of authorized FTE's transported by the district in the board and lodging transportation category as a percentage of the total number of authorized FTE's transported by the district;

(6) The number of authorized FTE's transported by the district in the between schools transportation category as a percentage of the total number of authorized FTE's transported by the district;

(7) The number of authorized FTE's transported by the district in the shared time regular transportation category as a percentage of the total number of authorized FTE's transported by the district;

(8) The number of authorized FTE's transported by the district in the secondary vocational center transportation category as a percentage of the total number of authorized FTE's transported by the district;

(9) (3) The *logarithm* of the number of authorized FTE's per square mile transported by the district in the regular transportation category;

(10) The number of authorized FTE's per square mile transported by the district in the handicapped transportation category;

(11) The number of authorized FTE's transported by the district in the regular transportation category as a percentage of the district's average daily membership;

(12) An index of the district's shape computed by the department of education based on a comparison of the perimeter of the district to the perimeter of a circle with the same square mile area as the district;

(13) (4) The percentage of the district's square mile area which is classified by the commissioner of energy, planning and development as water covered or, marshland, or *extractive*;

(14) The number of 40 acre parcels of land in the district which are contiguous to or intersected by unpaved roads, as a percentage of the number of 40 acre parcels of land in the district which are contiguous to or intersected by any roads, paved or unpaved. The number of 40 acre parcels of each type shall be obtained from the commissioner of energy, planning and development;

(15) The percentage of the district's square mile area which is classified by the state planning agency as having a slope of land exceeding six percent;

(16) The number of authorized FTE's transported to nonpublic schools by the district in the regular transportation category as a percentage of the total number of authorized FTE's transported by the district in the regular transportation category;

(17) The percentage of the district's square mile area which is classified by the state planning agency as *extractive*.

(5) The district's administrative overhead for transportation per authorized FTE transported in the regular transportation category;

(6) The number of schools to which pupils are transported in the regular

transportation category, either within or outside the district, divided by the number of authorized FTE's transported in the regular transportation category;

(7) Whether the district is non-rural, based upon criteria established by the department of education;

(8) Whether the district contracts for bus service, or transports pupils only on district-owned buses;

(9) The percentage of all regular transportation category bus routes using buses that are not owned by the district, if that percentage is not 100 percent;

(10) Whether the district operates a special bus to transport pupils to home from school who are involved in after-school activities.

Subd. 6. [INFLATION FACTORS.] The total authorized predicted cost per weighted FTE determined for a district under subdivision 3 for 1979-1980 shall be increased by 26 percent. The total authorized predicted cost per weighted FTE determined for a district under subdivision 3 for 1980-1981 shall be increased by 22 percent.

Subd. 7a. [BASE YEAR SOFTENING FORMULA.] (1) Each district's adjusted total authorized predicted base cost per weighted FTE determined for each school year according to subdivision 6 3 shall be compared to averaged with the total actual expenditure per weighted FTE for authorized transportation base cost for that district for that year to determine the district's aid entitlement adjusted authorized predicted cost per weighted FTE for that year.

(2) If the adjusted total authorized predicted cost per weighted FTE is greater than the district's actual authorized expenditure per weighted FTE, its aid entitlement per weighted FTE shall equal the adjusted predicted cost per weighted FTE minus 20 percent of the first \$10 of difference between the adjusted total authorized predicted cost per weighted FTE and the actual expenditure per weighted FTE; minus 40 percent of the next \$10; 60 percent of the next \$10; minus 75 percent of the difference which exceeds \$30.

(3) If the adjusted total authorized predicted cost per weighted FTE is less than the district's actual authorized expenditure per weighted FTE, its aid entitlement per weighted FTE shall equal the adjusted total authorized predicted cost per weighted FTE plus 20 percent of the first \$10 of difference between the adjusted predicted cost per weighted FTE and the actual expenditure per weighted FTE; plus 40 percent of the next \$10; plus 60 percent of the next \$10; plus 75 percent of the difference which exceeds \$30. Notwithstanding clause (1), for fiscal year 1983, the predicted base cost shall be adjusted as provided in this clause to determine adjusted authorized predicted cost per weighted FTE for the base school year.

(a) If the predicted base cost exceeds the base cost, the predicted base cost shall be decreased by 50 percent of the first \$40 of difference between the base cost and the predicted base cost; 70 percent of the next \$40 of difference; and 90 percent of any difference which exceeds \$80, to determine the adjusted authorized predicted cost per weighted FTE.

(b) If the predicted base cost is less than the base cost, the predicted base cost shall be increased by 50 percent of the first \$40 of difference between the base cost and the predicted base cost; 70 percent of the next \$40 of difference;

and 90 percent of any difference which exceeds \$80, to determine the adjusted authorized predicted cost per weighted FTE.

Subd. 7b. [INFLATION FACTORS.] The adjusted authorized predicted cost per weighted FTE determined for a district under subdivision 7a for the base year shall be increased by 22 percent to determine the district's aid entitlement per FTE for the 1982-1983 school year.

Subd. 8a. [AID.] A district's transportation aid shall be equal to the sum of its basic transportation aid pursuant to subdivision 8b, its excess handicapped transportation aid pursuant to subdivision 8c, its handicapped board and lodging aid pursuant to subdivision 8d, its to and from board and lodging aid pursuant to subdivision 8e, its nonpublic support services transportation aid pursuant to subdivision 8f, and its during-day transportation aid pursuant to subdivision 8g, minus the amount raised by two mills times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy attributable to that school year. A district may levy less than two mills. Transportation aid shall be computed as if the district had levied two mills. If the total appropriation for transportation aid in any fiscal year is insufficient to pay all districts the full amount of aid earned, the department of education shall reduce each district's aid in proportion to the number of resident pupils in average daily membership in the district to the state total average daily membership, and shall reduce the aid entitlement of off-formula districts in the same proportion. Aid for the 1982-1983 school year shall be reduced by the following amount: the product of

(a) the number of nonhandicapped secondary pupils transported in the base year that live between one and two miles from the public school which they could attend or the nonpublic school actually attended, times

(b) 1.5, divided by the average distance to school for all FTE's transported in the district in the regular transportation category in the second preceding year, times

(c) the district's aid entitlement per FTE determined according to subdivision 7b, times the ratio of average daily membership used in subdivision 8b.

Subd. 8a 8b. [BASIC AID COMPUTATION.] Beginning with the 1982-1983 school year In fiscal years 1983 and 1984, a district's basic transportation aid pursuant to this section for each the school year shall equal the district's aid entitlement per weighted FTE determined according to subdivision 7a 7b times the total number of authorized weighted FTE's transported in the regular and handicapped transportation categories in the district in that the second preceding school year, minus the amount raised by two mills times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy attributable to that school year times the ratio of average daily membership in the district in the current school year to the average daily membership in the district in the second preceding school year.

In fiscal year 1985 and thereafter, a district's basic transportation aid pursuant to this section for each school year shall equal the district's adjusted authorized predicted cost determined according to subdivision 7b times the total number of authorized FTE's transported in the regular and handicapped categories in the district in the current school year.

Subd. 8b 8c. [EXCESS HANDICAPPED AID.] (a) In addition to the

amount authorized in subdivision 8a; For each school year, the state shall pay aid for the excess costs of providing transportation for handicapped students as provided in this subdivision to a district where, *in the current school year,*

- (1) the average daily membership in that year is 2,500 or fewer pupils;
- (2) the total actual authorized expenditures exceed the aid entitlement; and
- (3) the actual authorized expenditure per weighted FTE in the handicapped and board and lodging categories exceeds 140 percent of the aid entitlement per weighted handicapped and board and lodging FTE the ratio of FTE's transported in the handicapped category to the total number of FTE's transported in the regular transportation category exceeds the same ratio for the state as a whole.

(b) This aid shall equal 80 percent of the difference between:

- (1) the district's actual authorized expenditures for transporting handicapped and board and lodging FTE's and
- (2) 140 percent of the district's aid entitlement for transportation of handicapped and board and lodging FTE's.
- (3) For purposes of the computation of aid pursuant to this subdivision, the amounts of the actual authorized expenditure and the aid entitlement shall exclude amounts attributable to depreciation. Aid pursuant to this subdivision shall not exceed the difference between the district's total actual authorized expenditures and its total aid entitlement.

the product of the percent excess handicapped FTE's transported, times the difference between

- (1) the district's actual cost for transportation of all pupils in the handicapped category in the current year, and
- (2) the product of
 - (i) the district's adjusted authorized predicted cost determined according to subdivision 7b, times
 - (ii) the number of FTE's transported in the handicapped category in the district in the current year.

Provided that in the 1982-1983 school year, the number in (2)(ii) above shall be replaced by the following computation: the product of the number of FTE's transported in the handicapped category in the district in the second preceding year, times its pupil weighting factor for the handicapped category, times the ratio of average daily membership in the district in the current year to average daily membership in the district in the second preceding year.

Subd. 8d. [HANDICAPPED BOARD AND LODGING AID.] *For board and lodging of handicapped pupils, each district shall receive aid equal to the product of the number of FTE pupils boarded and lodged in the current year in the district in this transportation category, times the average of*

- (a) the state average board and lodging cost per FTE pupil boarded and lodged in the second preceding year, times the inflation factor for that year prescribed in subdivision 7b; and
- (b) the district's actual cost per FTE pupil boarded and lodged in the current

year.

Subd. 8e. [TO AND FROM BOARD AND LODGING.] For transportation of handicapped pupils to and from board and lodging facilities, the state shall pay aid for each pupil for each year equal to the lesser of

(a) the sum for all pupils transported in this category of 36 times the distance in miles from each pupil's home to the board and lodging facility, times the official mileage rate at which state employees are compensated for travel; or

(b) the average of the amount in (a) and the district's actual cost for all transportation in this category in the current year.

Subd. 8f. [NONPUBLIC SUPPORT SERVICES AID.] In fiscal year 1983 a district's nonpublic support services transportation aid shall equal the district's adjusted authorized predicted cost determined according to subdivision 7b, times its pupil weighting factor for the nonpublic support services transportation category, times the number of FTE pupils transported in the nonpublic support services category in the district in the second preceding year, times the ratio of average daily membership in the district in the current year to average daily membership in the district in the second preceding year. In fiscal year 1984 and thereafter, a district's nonpublic support services transportation aid shall equal the district's adjusted authorized predicted cost determined according to subdivision 7b, times its pupil weighting factor for the nonpublic support services transportation category, times the number of FTE's transported in that category in the current year.

Subd. 8g. [DURING-DAY TRANSPORTATION AID.] For each school year, a district's during-day transportation aid shall equal the district's adjusted authorized predicted cost determined according to subdivision 7b, times its pupil weighting factor for the during-day transportation category, times the number of FTE's transported in the during-day transportation category in the second preceding year, times the ratio of average daily membership in the district in the current year to average daily membership in the district in the second preceding year. In fiscal year 1984 and thereafter, a district's during-day transportation aid shall equal the district's adjusted authorized predicted cost determined according to subdivision 7b, times its pupil weighting factor for the during-day transportation category, times the number of FTE's transported in the during-day transportation category in the current year.

Subd. 9. [DISTRICT REPORTS.] Each district shall report data to the department before July 1 of each year an estimate for the next school year of the total number of FTE's transported by transportation category and an estimate of the district's total actual authorized transportation expenditure by transportation category as required by the department to implement the transportation aid formula. The district's aid shall be determined for purposes of the first three transportation aid payments for the school year using these estimates. Before August 15 each year, each district shall provide the department with the information for the preceding school year which the department determines is necessary to compute the district's actual authorized expenditure per weighted FTE for purposes of the computation in subdivision 7a and the district's actual total number of weighted FTE's transported for purposes of the aid computation in subdivision 8a. The district's final transportation aid payment for the school year shall be based on these computations. If a district's final transportation aid payment is adjusted after December 31 of the fiscal year in which the

final aid payment is made, the adjustment shall be made by increasing or decreasing the district's aid for the next fiscal year. No adjustment in transportation aid for a district shall be made after October 31 of the fiscal year following the fiscal year in which the final aid payment is made.

Subd. 10. Any school district which owns school buses or mobile units shall transfer annually from the unappropriated fund balance account in its transportation fund to the appropriated fund balance account for bus purchases in its transportation fund at least an amount equal to 12-1/2 percent of the original cost of each bus or mobile unit until the original cost of each bus or mobile unit is fully amortized, plus 33-1/3 percent of the cost to the district as of July 1 of each year for school bus reconditioning done by the department of corrections until the cost of the reconditioning is fully amortized; *provided, if the district's transportation aid is reduced pursuant to subdivision 8a because the appropriation for that year is insufficient, this amount shall be reduced in proportion to the reduction pursuant to subdivision 8a as a percentage of the sum of*

(1) the district's total transportation aid received pursuant to subdivision 8a, plus

(2) an amount equal to two mills times the adjusted assessed valuation of the district. Any school district may transfer any amount from the unappropriated fund balance account in its transportation fund to any other operating fund or to the appropriated fund balance account for bus purchases in its transportation fund.

Subd. 11. [PAYMENT SCHEDULE THROUGH 1982.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, for fiscal years through 1982, the state shall pay to each school district 30 percent of its estimated school transportation aid ~~entitlement~~ for the fiscal year on or before each of the following dates: August 31, December 31, and March 31. The final aid distribution to each district shall be made on or before October 31 of the following fiscal year.

Subd. 12. [PAYMENT SCHEDULE.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, starting in fiscal year 1983, the state shall pay each school district its estimated school transportation aid ~~entitlement~~ for the fiscal year according to the following schedule: 30 percent by August 31; 30 percent by December 31; and 25 percent by March 31. The final aid distribution to each district shall be made by October 31 of the following fiscal year.

Sec. 3. Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] Except as may otherwise be provided in this section, the words and phrases defined in sections 124.01, 124.212, 124.20 ~~and~~, 124.2121 to 124.2125 ~~and~~ 124.225 when used in this section shall have the meanings ascribed to them in those sections.

Sec. 4. Minnesota Statutes 1980, Section 275.125, Subdivision 5, as amended by Laws 1981, Third Special Session Chapter 2, Article II, Section 10, is amended to read:

Subd. 5. For school transportation services, a school district may levy an amount not to exceed the amount raised by a levy of two mills times the

adjusted assessed valuation of the taxable property of the district for the preceding year. A district may also levy under this subdivision for the amount necessary to eliminate any projected deficit in the appropriated fund balance account for bus purchases in its transportation fund as of June 30 in the school year when the levy is recognized as revenue. A district which contracts for pupil transportation services may also levy an amount equal to \$18 times the number of FTE pupils transported on contracted school buses in the preceding school year in the regular transportation category, which shall be placed in the transportation fund and used for any lawful purpose. A district may levy an amount equal to the estimated cost, in the school year beginning in the year in which the levy is certified, of transporting secondary pupils to and from school who live more than one mile but less than two miles from the public school which they could attend or from a nonpublic school actually attended. A district may also levy for transportation costs or other related services which are approved by the commissioner as necessary because of extraordinary traffic hazards for the current fiscal next school year. Levies authorized by this subdivision shall be computed according to procedures established by the commissioner.

Sec. 5. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 5b. [TRANSPORTATION LEVY OFF-FORMULA ADJUSTMENT.] In any fiscal year in which the transportation levy in a district attributable to that fiscal year of two mills times the adjusted assessed valuation of the district exceeds the transportation aid entitlement per weighted FTE times the total number of authorized FTE pupils transported, the district's transportation levy limitation shall be adjusted as provided in this subdivision. In the year following that fiscal year, the district's transportation levy shall be reduced by an amount equal to the difference between (1) two mills times the adjusted assessed valuation of the district, and (2) the the sum of the district's transportation aid computation pursuant to section 124.225, subdivisions 8b, 8c, 8d, 8e, 8f, and 8g, minus the following amount:

the product of

(a) the number of nonhandicapped secondary pupils in the current school year who live between one and two miles from the public school which they could attend or the nonpublic school actually attended and who would have been transported in the current year under the district's eligibility rules in the base year, times

(b) 1.5, divided by the average distance to school for all FTE's transported in the district in the regular transportation category in the second preceding year, times

(c) the district's adjusted authorized predicted cost determined according to section 124.225, subdivision 7b,

Sec. 6. [ADDITIONAL TRANSPORTATION LEVY, 1982.]

In 1982 only, a district may levy for transportation costs or other related services which are necessary because of extraordinary traffic hazards for the 1982-1983 school year. Levies authorized by this section shall be computed according to procedures established by the commissioner.

Sec. 7. Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3, is

amended to read:

Subd. 3. [CANCELLATION.] Any unexpended balance remaining from the appropriation in this section for 1982 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to ~~either the 1981-1982 school year~~ for any purposes indicated is insufficient, the aid *entitlement* for that year shall be prorated among all qualifying districts, *and aid reduced accordingly*. The state shall not be obligated for any amounts in excess of the total appropriations in this section.

Sec. 8. [REPEALER.]

Minnesota Statutes 1980, Section 121.96 is repealed.

Sec. 9. [EFFECTIVE DATE.]

Section 7 and the amendment made in section 2 to Minnesota Statutes 1981 Supplement, Section 124.225, Subdivision 9, are effective the day following enactment.

ARTICLE III

SPECIAL EDUCATION

Sec. 1. Minnesota Statutes 1981 Supplement, Section 120.17, Subdivision 6, is amended to read:

Subd. 6. [PLACEMENT IN ANOTHER DISTRICT; RESPONSIBILITY.] The responsibility for special instruction and services for a handicapped child temporarily placed in another district for care and treatment shall be determined in the following manner:

(a) The school district of residence of a child shall be the district in which his parent resides, if living, or his guardian, or the district designated by the commissioner of education if neither parent nor guardian is living within the state.

(b) When a child is temporarily placed for care and treatment in a day program located in another district and the child continues to live within the district of residence during the care and treatment, the district of residence is responsible for providing transportation and an appropriate educational program for the child. The district may provide the educational program at a school within the district of residence, at the child's residence, or in the district in which the day treatment center is located by paying tuition to that district.

(c) When a child is temporarily placed in a residential program for care and treatment, the nonresident district in which the child is placed is responsible for providing transportation, *except transportation to and from the resident district*, and an appropriate educational program for the child and shall bill the district of the child's residence for the actual cost of providing the program, as outlined in subdivision 4, except that the board, lodging, and treatment costs incurred in behalf of a handicapped child placed outside of the school district of his residence by the commissioner of public welfare or the commissioner of corrections or their agents, for reasons other than for making provision for his special educational needs shall not become the responsibility of either the district providing the instruction or the district of the child's residence.

(d) The district of residence shall pay tuition and other program costs, not including transportation costs, to the district providing the instruction and services. The district of residence may claim foundation aid for the child as provided by law. Transportation costs shall be paid by the district responsible for providing the transportation and the state shall pay transportation aid to that district.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 124.2129, is amended by adding a subdivision to read:

Subd. 5. [RESIDENCE OF STUDENTS TEMPORARILY PLACED IN ANOTHER DISTRICT.] The responsibility for special instruction and services for a child as defined in section 120.03, subdivision 5, who is temporarily placed in another district for care and treatment, shall be determined in the following manner:

(a) The school district of residence of the child shall be the district in which the child's parent or guardian resides, or the district designated by the commissioner of education if neither parent nor guardian is living within the state.

(b) Prior to the placement of a child in another district, the district of residence shall be notified and provided an opportunity to participate in the placement decision. When an immediate emergency placement is necessary and time does not permit resident district participation in the placement decision, the district in which the child is temporarily placed shall notify the district of residence of the emergency placement within 15 days of the placement.

(c) Responsibility for provision of transportation and an appropriate educational program shall be the same as for a handicapped child temporarily placed in another district for care and treatment pursuant to section 120.17, subdivision 6. The district of residence shall pay tuition and other program costs, not including transportation costs, to the district providing the instruction and services. Transportation costs shall be paid by the district responsible for providing the transportation and the state shall pay transportation aid to that district. For purposes of transportation aid, these children shall be included in the handicapped transportation category.

Sec. 3. Minnesota Statutes 1980, Section 124.32, Subdivision 7, is amended to read:

Subd. 7. [PROGRAM AND AID APPROVAL.] Before ~~May 1~~ June 1 of each year, each district providing special instruction and services to handicapped children shall submit to the commissioner an application for approval of these programs and their budgets for the next school year. The application shall include an enumeration of the costs proposed as eligible for state aid pursuant to this section and of the estimated number and grade level of handicapped children in the district who will receive special instruction and services during the next school year. The application shall also include any other information deemed necessary by the commissioner for the calculation of state aid and for the evaluation of the necessity of the program, the necessity of the personnel to be employed in the program, the amount which the program will receive from grants from federal funds, or special grants from other state sources, and the program's compliance with the rules and standards of the state board. The commissioner shall review each application ~~in order~~ to determine whether the program and the personnel to be employed in the program are

actually necessary and essential to meet the district's obligation to provide special instruction and services to handicapped children pursuant to section 120.17. The commissioner shall not approve aid pursuant to this section for any program or for the salary of any personnel he determines to be unnecessary or unessential on the basis of this review. The commissioner may also withhold all or any portion of the aid for programs which receive grants from federal funds, or special grants from other state sources. ~~On or before July 1 of each year~~ By August 31, when the first aid payment is made, the commissioner shall approve, disapprove or modify each application, and notify each applying district of ~~his~~ the action and of the estimated amount of aid for the programs. The commissioner shall provide procedures for districts to submit additional applications for program and budget approval during the school year, for programs needed to meet any substantial changes in the needs of handicapped children in the district. Notwithstanding the provisions of section 124.15, the commissioner may modify or withdraw ~~his~~ the program or aid approval and withhold aid pursuant to this section without proceeding according to section 124.15 at any time ~~when he~~ the commissioner determines that the program does not comply with ~~the rules and standards~~ of the state board or that any facts concerning the program or its budget differ from the facts ~~presented~~ in the district's approved application.

Sec. 4. [SPECIAL EDUCATION TEMPORARY GUIDELINES.]

The state board of education shall develop and test guidelines for districts to use in defining and serving the following groups of students: (a) students with learning disabilities, (b) students who are emotionally disturbed, and (c) students with special learning behavior problems. During the 1982-83 school year the department shall test the guidelines in a representative sample of districts statewide and report to the education committees of the legislature by February 1, 1984. The department shall report on the operation and fiscal impact of the guidelines.

The guidelines are only for the purposes of testing and determining proper policy for the department and do not represent a determination by the legislature or the department that the guidelines are permanent or binding. The guidelines shall not represent competent evidence in any legal proceeding arising in a state or federal court of law.

Sec. 5. [STUDENT TO STAFF RATIOS.]

For the 1982-1983 school year, the student to staff ratios established pursuant to 5 MCAR 1.0122 C. shall be increased by 20 percent.

By February 1, 1983, the department of education shall report to the education committees of the legislature its recommendations for alternative rules for student to staff ratios.

Sec. 6. [SUPERVISION.]

For the 1982-1983 school year, the rules on supervisory personnel of 5 MCAR 1.0122 D., D.1., D.2., D.3., and D.4. are suspended.

By February 1, 1983, the department of education shall report to the education committees of the legislature regarding the need to reinstate the rules or its recommendations for alternative rules for supervisory personnel.

Sec. 7. [STUDENT ASSESSMENT CONFERENCE.]

Beginning with the 1982-1983 school year, the assessment requirement established pursuant to 5 MCAR 1.0124 B.1.b. and 1.0126B shall be reduced to one assessment every three years.

Sec. 8. [PERIODIC REVIEW.]

Beginning with the 1982-1983 school year, the periodic review requirement established pursuant to 5 MCAR 1.0126 A.2. shall be reduced to one review each year.

Sec. 9. [EFFECTIVE DATE.]

Section 3 is effective the day following final enactment.

ARTICLE IV

MISCELLANEOUS

Section 1. Minnesota Statutes 1980, Section 123.32, Subdivision 1, is amended to read:

Subdivision 1. Unless a different date is permitted under the provisions of subdivision 22 or section 2 of this article, the annual election in independent districts shall be held on the third Tuesday in May.

Sec. 2. Minnesota Statutes 1980, Section 123.32, is amended by adding a subdivision to read:

Subd. 28. The board of any school district may by resolution provide for the holding of the annual election on the first Tuesday after the first Monday in November of any year. If the annual election is held in November, the terms of office of all board members shall be lengthened to expire on January 1.

Sec. 3. Minnesota Statutes 1981 Supplement, Section 123.937, is amended to read:

123.937 [LIMIT ON DISTRICT OBLIGATIONS.]

If the amount appropriated for purposes of sections 123.931 to 123.937 for any year is not sufficient to make the payments required pursuant to sections 123.931 to 123.937 for that year, then no school district or intermediary service area is required to expend an amount pursuant to sections 123.931 to 123.937 for that year which exceeds the amount of the payments it receives pursuant to sections 123.931 to 123.937 for that year. *Notwithstanding Laws 1981, Chapter 358, Article VI, Section 46, Subdivision 21, the appropriations provided in Laws 1981, Chapter 358, Article VI, Section 46, Subdivision 16, may be used to pay claims for nonpublic aids for either year of the 1983 biennium.*

Sec. 4. Minnesota Statutes 1981 Supplement, Section 125.611, Subdivision 5, is amended to read:

Subd. 5. [SCHOOL BOARD APPLICATION; LIMIT.] If the school board approves the teacher's application, the board shall apply to the commissioner of education for authorization to enter into a contract with the teacher for termination of his services and payment of an early retirement incentive. The school board's application shall be submitted on the form required by the commissioner and must be received by the commissioner by the March 15 immediately following the school board's approval of the teacher's applica-

tion. The commissioner of education shall establish procedures for applications pursuant to this subdivision and shall approve or disapprove applications pursuant to this subdivision within the limits of the appropriation for the purposes of this section. The commissioner shall approve no more than 500 applications for early retirement incentives for teachers retiring at the end of each school year.

If more applications are received than can be approved within this limit, the commissioner may decide which applications to approve according to the order of receipt, a method ensuring participation by teachers from the maximum possible number of districts, random allotment or any combination of these methods. *If the number of applications approved by the commissioner by March 15 is less than 500 and is within the limits of the appropriation, additional applications submitted to the school board after February 1 may be considered for approval by the school board and commissioner according to the order of receipt.*

Applications pursuant to this subdivision shall include the annual salaries which would be paid to the teachers for whom the applications are made if they did not retire and any other information required by the commissioner of education.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 354.66, Subdivision 6, is amended to read:

Subd. 6. A board of an employing district entering into an agreement authorized by this section shall take all steps necessary to assure continuance of any insurance programs furnished or authorized a full time teacher on an identical basis and with identical sharing of costs for a part time teacher pursuant to this section, *provided, however, that the requirements of this sentence may be modified by a collective bargaining agreement between a board and an exclusive representative pursuant to chapter 179.* Notwithstanding the provisions of section 43.47, subdivision 16, teachers as defined in section 136.88 employed on a less than 75 percent time basis pursuant to this section shall be eligible for state paid insurance benefits as if the teachers were employed full time.

Sec. 6. [FUND TRANSFER; CAPITAL EXPENDITURE TO GENERAL.]

Notwithstanding the provisions of section 121.912, during the 1982-1983 school year, a district may transfer an amount not to exceed \$50 per pupil unit from the capital expenditure fund to the general fund.

Sec. 7. [REPEALER.]

Minnesota Statutes 1980, Section 128.05; Laws 1976, Chapter 20, Section 8; and Laws 1967, Chapters 251 and 253, are repealed.

Sec. 8. [EFFECTIVE DATE.]

Sections 3 and 7 are effective the day following final enactment.

ARTICLE V

VOCATIONAL EDUCATION

Section 1. Minnesota Statutes 1981 Supplement, Section 121.912, Subdivision 1, is amended to read:

Subdivision 1. No school district shall permanently transfer money from an operating fund to a nonoperating fund except as provided in this subdivision. Permanent transfers may be made from an operating fund to any other fund to correct for prior fiscal years' errors discovered after the books have been closed for that year. Permanent transfers may be made from the general fund to eliminate deficits in another fund when that other fund is being discontinued. When a district discontinues operation of a district-owned bus fleet or a substantial portion of a fleet, permanent transfers may be made from the fund balance account entitled "pupil transportation fund appropriated for bus purchases" to the capital expenditure fund, with the approval of the commissioner. The levy authorized pursuant to section 275.125, subdivision 11a, shall be reduced by an amount equal to the amount transferred. ~~Permanent transfers may be made from the general fund to the capital expenditure fund of a post-secondary vocational-technical school in the amount and for the purposes authorized by the state board for vocational education in approving the school's budget pursuant to section 124.561. The state board shall not approve any permanent transfer for the purpose of an acquisition or betterment of lands or buildings or a capital improvement which requires the expenditure of an amount equal to or greater than \$50,000, which changes the perimeter walls of an existing facility, which adds more than 1,000 square feet to a post-secondary vocational facility, or which requires the issuance of school district bonds. The state board shall not approve the permanent transfer for any other purpose of any amount which exceeds \$150,000.~~

Sec. 2. Minnesota Statutes 1981 Supplement, Section 124.5624, Subdivision 3, is amended to read:

Subd. 3. [EQUIPMENT AID.] "Post-secondary vocational equipment aid" means state funds, exclusive of post-secondary vocational instructional aid, supply aid, support services aid, debt service aid, and repair and betterment aid apportioned by the state board for vocational education to local school districts, *as necessary for the conduct of post-secondary vocational-technical training*, for the purpose of:

- (a) acquisition or purchase of equipment or machinery;
 - (b) betterment, as defined in section 475.51, of equipment or machinery; ~~and~~
 - (c) paying leasing fees for computer systems hardware and related proprietary software, photocopy machines and telecommunications equipment; ~~and~~
 - (d) *renting or leasing buildings for school purposes*
- ~~as necessary for the conduct of post-secondary vocational-technical training.~~

Post-secondary vocational equipment aid shall be utilized solely for the purposes enumerated in this section.

Sec. 3. Minnesota Statutes 1981 Supplement, Section 124.5624, Subdivision 4, is amended to read:

Subd. 4. [BUDGETS; EQUIPMENT AID ALLOCATION.] Each AVTI shall submit a budget before ~~January 1, 1982, and before~~ January 1 of each year ~~thereafter~~ detailing estimated costs for the following fiscal year in each applicable component activity of the AVTI's operations for each of the following expenditure categories: acquisition of equipment or machinery, betterment of

equipment or machinery ~~and rents and leases; leasing fees, and renting or leasing buildings for school purposes~~, for all instructional programs and support services, including special needs programs and related instruction. Each budget shall also include anticipated revenues from the sale of equipment and other capital goods. A budget submitted pursuant to this section shall not include any revenues or expenditures which are included in the computation of an AVTI's instructional program cost or in the AVTI's budgets for post-secondary vocational support services aid, supply aid, or repair and betterment aid. The department of education shall recommend an allocation of equipment aid in each applicable component activity of the AVTI's operations for each of the expenditure categories and a total allocation of equipment aid for each AVTI, after a review of each AVTI budget. The state board shall review the recommendations of the department, authorize an allocation of equipment aid for each AVTI, and detail recommended levels of spending in each component activity for each expenditure category, through the consolidated public hearing process prescribed in section 124.561, subdivision 3a.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 124.5627, Subdivision 3, is amended to read:

Subd. 3. [REPAIR AND BETTERMENT AID.] (a) [DEFINITION.] "Post-secondary vocational repair and betterment aid" means state funds, exclusive of post-secondary vocational instructional aid, supply aid, support services aid, debt service aid, and equipment aid, apportioned by the state board for vocational education to local school districts for the purpose of reconstruction, improvement, remodeling and repair of the existing AVTI buildings and grounds, ~~and renting or leasing buildings for school purposes~~, as necessary for the conduct of post-secondary vocational-technical training.

(b) [PROHIBITION.] Post-secondary vocational repair and betterment aid shall be utilized solely for the purposes enumerated in this section. The use of post-secondary vocational repair and betterment aid shall be governed by the provisions of section 121.21, subdivision 4a. Post-secondary vocational repair and betterment aid shall not be utilized for the acquisition or betterment of equipment or machinery.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 124.5627, Subdivision 4, is amended to read:

Subd. 4. [BUDGETS; AID ALLOCATION.] Each AVTI shall submit a budget before ~~January 1, 1982 and before~~ January 1 of each ~~subsequent~~ year detailing estimated costs for the following fiscal year ~~for rents and leases and~~ for each repair and betterment project proposed by the AVTI. A budget submitted pursuant to this section shall not include any revenues or expenditures which are included in the computation of an AVTI's instructional program cost or in the AVTI's budgets for post-secondary vocational support services aid, supply aid, or equipment aid. The department of education shall recommend an allocation of repair and betterment aid ~~for rents and leases and~~ for each project proposed by the AVTI as well as a total allocation of repair and betterment aid for each AVTI, after a review of each AVTI budget. The state board shall review the recommendations of the department, authorize an allocation of repair and betterment aid for each AVTI, and detail recommended levels of spending ~~for rents and leases and~~ for each project proposed by the AVTI, through the consolidated public hearing process prescribed in section

124.561, subdivision 3a. The amount of each AVTI's estimated net positive unappropriated capital fund balance, as of June 30 of the fiscal year during which allocations are made, shall be taken into account by the state board in making these allocations. The allocation of post-secondary vocational repair and betterment aid by the state board shall not constitute approval of a project by the state board for the purposes of section 121.21, subdivision 4a.

Sec. 6. Minnesota Statutes 1981 Supplement, Section 124.5627, Subdivision 5, is amended to read:

Subd. 5. [REPORT.] Before ~~August 1, 1982~~ and before August 1 of each subsequent year, the commissioner shall issue a report on the repair and betterment aid allocation to each AVTI. This report shall include recommended aid allocations ~~for rents and leases~~ and for each repair and betterment project proposed by an AVTI and an explanation comparing the amount of the authorized repair and betterment aid allocation to the budget submitted for each AVTI. The fund balances used by the state board in determining the repair and betterment aid allocation shall be included.

These reports shall be transmitted to the education committees of the legislature and to the directors of the AVTI's.

Sec. 7. [EFFECTIVE DATE.]

Sections 2, 3, 4, 5 and 6 are effective the day following final enactment.

ARTICLE VI

OTHER AIDS AND LEVIES

Section 1. Minnesota Statutes 1980, Section 120.73, Subdivision 1, is amended to read:

Subdivision 1. A school board ~~is authorized to~~ may require payment of fees in the following areas:

(a) In any program where the resultant product, in excess of minimum requirements and at the pupil's option, becomes the personal property of the pupil;

(b) Admission fees or charges for extra curricular activities, where attendance is optional;

(c) A security deposit for the return of materials, supplies, or equipment;

(d) Personal physical education and athletic equipment and apparel, although any pupil may provide his own if it meets reasonable requirements and standards relating to health and safety established by the school board;

(e) Items of personal use or products which a student may purchase at his own option such as student publications, class rings, annuals, and graduation announcements;

(f) Fees specifically permitted by any other statute, including but not limited to section 171.04, clause (1);

(g) Field trips considered supplementary to a district educational program;

(h) Any authorized voluntary student health and accident benefit plan;

(i) For the use of musical instruments owned or rented by the district, a

reasonable rental fee not to exceed either the rental cost to the district or the annual depreciation plus the actual annual maintenance cost for each instrument;

(j) Transportation of pupils to and from extra curricular activities conducted at locations other than school, where attendance is optional;

(k) Motorcycle classroom education courses conducted outside of regular school hours; provided the charge shall not exceed the actual cost of these courses to the school district;

(l) Summer programs, except special education and remedial education;

(m) Fees of not more than 20 percent of the actual cost of a program or activity in secondary schools for which there is no credit toward graduation.

Sec. 2. [121.60] [SUMMER PROGRAMS.]

Subdivision 1. [AUTHORIZATION.] Any school district may offer a summer program which includes educational, social and recreational opportunities for elementary and secondary students residing within the school district.

The summer program may include activities and educational components previously offered in traditional summer school programs as well as community education programs, community recreation programs and improved learning programs.

Subd. 2. [FEES.] Pursuant to section 120.73, a school district may charge reasonable fees for summer programs. Each school board shall adopt a policy for waiving fees in case of hardship.

Sec. 3. Minnesota Statutes 1981 Supplement, Section 123.705, is amended to read:

123.705 [STATE AID.]

The department of education shall pay each school district for the cost of screening services provided pursuant to sections 123.701 to 123.705. The payment shall not exceed \$28 per child screened in fiscal year 1982 and \$29 \$26.80 per child screened in fiscal year 1983. Any district may request and receive an advance payment equal to 50 percent of its estimated payment for screening eligible children.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 124.245, Subdivision 1, is amended to read:

Subdivision 1. [BASIC COMPUTATION.] (a) In the 1981-1982 school year and each year thereafter, the state shall pay a school district the difference by which an amount equal to \$90 per pupil unit in that school year or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$95 per pupil unit in that school year, exceeds the amount raised by seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. In order to qualify for aid pursuant to this subdivision in any school year, a district must have levied the full seven EARC mills for use for capital expenditures in that year pursuant to section 275.125, subdivision 11a.

In the 1982-1983 school year and each year thereafter, the state shall pay a school district the difference by which an amount equal to \$89 per pupil unit in

that school year or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$94 per pupil unit in that school year, exceeds the amount raised by seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. In order to qualify for aid pursuant to this subdivision in any school year, a district must have levied the full seven EARC mills for use for capital expenditures in that year pursuant to section 275.125, subdivision 11a.

(b) In the 1982-1983 school year and each year thereafter, the aid under clause (a) for any district which operates an approved secondary vocational education program or an approved senior secondary industrial arts program shall be computed using a dollar amount per pupil unit which is \$5 higher than the amount specified in clause (a).

(c) If the sum of a district's capital expenditure levy under section 275.125, subdivision 11a, attributable to any school year starting in 1982-1983 and its capital expenditure equalization aid, if any, under this subdivision for that school year exceeds ~~\$90~~ \$89 per pupil unit or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, ~~\$95~~ \$94 per pupil unit, the amount of the excess may be expended only for the purpose of capital expenditures for equipment for secondary vocational education programs or senior secondary industrial arts programs.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 124.245, Subdivision 1a, is amended to read:

Subd. 1a. [SPECIAL PURPOSE COMPUTATION.] In the 1982-1983 school year and each year thereafter, the state shall pay a school district the difference by which an amount equal to ~~\$25~~ \$24.50 per pupil unit exceeds the amount raised by two mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. In order to qualify for aid pursuant to this subdivision in any school year, a district must levy the maximum permissible amount pursuant to section 275.125, subdivision 11b for use in that year. Aid paid pursuant to this subdivision may be used only for the purposes for which the proceeds of the levy authorized in section 275.125, subdivision 11b may be used.

Sec. 6. Minnesota Statutes 1981 Supplement, Section 124.246, Subdivision 2, is amended to read:

Subd. 2. [AID.] *For the 1981-1982 school year*, an eligible district shall receive \$1 for each pupil, in average daily membership, enrolled in a public elementary, secondary or area vocational-technical or nonpublic elementary or secondary school. Aid for nonpublic school pupils shall be paid to the district upon request by or on behalf of the pupils. No district shall receive less than \$1,000.

For the 1982-1983 school year and each year thereafter, an eligible district shall receive 92.5 cents for each pupil, in average daily membership, enrolled in a public elementary, secondary or area vocational-technical or nonpublic elementary or secondary school. Aid for nonpublic school pupils shall be paid to the district upon request by or on behalf of the pupils. No district shall receive less than \$925.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 124.247, Subdivision 3, is amended to read:

Subd. 3. [AID.] A district which establishes a program for gifted and talented students shall receive for the purpose of this program an amount equal to \$16.25, in the 1981-1982 school year, and ~~\$17.50~~ \$16.18 in the 1982-1983 school year, times the number of gifted and talented students in the district. No more than 5 percent of the students enrolled in the district shall be counted as gifted and talented for the purpose of aid computations pursuant to this subdivision. No more than five percent of the moneys received by a district pursuant to this subdivision may be expended for the purpose of administration of the program for gifted and talented students.

Sec. 8. Minnesota Statutes 1981 Supplement, Section 124.26, Subdivision 1, is amended to read:

Subdivision 1. [COMPENSATION.] For evening schools and continuing education programs for adults established for persons over 16 years of age and not in attendance upon regular day schools, the state shall compensate any district maintaining such programs in accordance with requirements established by the state board from funds appropriated for that purpose, or such funds combined with federal funds insofar as federal funds are available. The state shall pay these aids on a current funding basis. *For the 1981-1982 school year, the portion of such the compensation from state appropriation shall be 90 percent of the compensation paid each teacher for his services in such the programs up to \$8,000 per year based on the costs in that current year. For the 1982-1983 school year and each year thereafter, the portion of such compensation from state appropriation shall be 83.25 percent of the compensation paid each teacher for services in the programs up to \$7,400 per year based on the costs in that current year.* All classes shall be tuition free when taught by teachers subsidized under this section and there shall be no charge for registration, materials and supplies. Evening school and continuing education programs are defined as those public day or evening school programs which are established for persons over 16 years of age not in attendance at the full time elementary or secondary schools and which qualify such persons for the high school diploma, the high school equivalency certificate or for academic achievement at the secondary level.

Sec. 9. Minnesota Statutes 1981 Supplement, Section 124.271, Subdivision 2, is amended to read:

Subd. 2. In fiscal ~~years~~ year 1982 and 1983 the state shall pay the greater of 65 cents per capita or \$6,100 to each school district which is operating a community education program in compliance with the rules promulgated by the state board and which has levied at least the lesser of \$1 per capita or \$1 per capita reduced by any deduction to the community service levy made pursuant to section 275.125, subdivision 9, clause (2), for use in that year. *In fiscal year 1983, the state shall pay the greater of 60 cents per capita or \$5,642 to each school district which is operating a community education program in compliance with the rules promulgated by the state board and which has levied at least the lesser of \$1 per capita or \$1 per capita reduced by any deduction to the community service levy made pursuant to section 275.125, subdivision 9, clause (2), for use in that year.*

Sec. 10. Minnesota Statutes 1981 Supplement, Section 124.273, Subdivi-

sion 1, is amended to read:

Subdivision 1. [TEACHERS SALARIES.] (a) For the 1981-1982 school year, the department shall pay a school district 70 percent of the salary, calculated from the date of hire, of one full time equivalent teacher for each 45 pupils of limited English proficiency enrolled in the district, or a pro rata amount thereof for increments of fewer than 45 pupils. Notwithstanding the foregoing, the department shall pay 70 percent of the salary, calculated from the date of hire, of one-half of a full time equivalent teacher to a district with 22 or fewer pupils of limited English proficiency enrolled.

(b) Beginning in the 1982-1983 school year, and each year thereafter, the department shall pay a school district 65 60 percent of the salary, calculated from the date of hire, of one full time equivalent teacher for each 45 pupils of limited English proficiency enrolled in the district, or a pro rata amount thereof for increments of fewer than 45 pupils. Notwithstanding the foregoing, the department shall pay 65 60 percent of the salary, calculated from the date of hire, of one-half of a full time equivalent teacher to a district with 22 or fewer pupils of limited English proficiency enrolled.

Sec. 11. Minnesota Statutes 1981 Supplement, Section 124.273, Subdivision 2, is amended to read:

Subd. 2. [PROHIBITION.] (a) For the 1981-1982 school year, the department of education shall not pay a school district an amount exceeding 70 percent of the salaries paid to essential instructional personnel employed by the district in its educational program for pupils of limited English proficiency.

(b) Beginning in the 1982-1983 school year, and each year thereafter, the department of education shall not pay a school district an amount exceeding 65 60 percent of the salaries paid to essential instructional personnel employed by the district in its educational program for pupils of limited English proficiency.

Sec. 12. Minnesota Statutes 1981 Supplement, Section 124.32, Subdivision 1, is amended to read:

Subdivision 1. (a) For the 1981-1982 ~~and 1982-1983~~ school ~~years~~ year, the state shall pay to any district for the employment in its educational program for handicapped children 68.8 percent of the salary of essential personnel for the normal school year for each full time, *part time or limited time* person employed, ~~or a pro rata amount for a part time person or a person employed for a limited time~~; whether the essential personnel are employed by a district alone or jointly with another district. *For the 1982-83 school year, the state shall pay to any district for the employment in its educational program for handicapped children 61 percent of the salary of essential personnel for the normal school year for each full time, part time or limited time person employed, whether the essential personnel are employed by a district alone or jointly with another district.*

(b) Beginning in the 1983-1984 school year and each year thereafter, the state shall pay to any district for the employment in its educational program for handicapped children 70 percent of the salary of essential personnel for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, whether the essential personnel are employed by a district alone or jointly with another district.

Sec. 13. Minnesota Statutes 1981 Supplement, Section 124.32, Subdivision 1b, is amended to read:

Subd. 1b. [CONTRACT SERVICES.] (1) *For the 1981-1982 school year for special instruction or training and services provided for any pupil pursuant to section 120.17, subdivision 2, clause (h), by contract with public, private or voluntary agencies other than Minnesota school districts, the state shall pay each district 60 percent of the difference between the amount of the contract and the foundation aid formula allowance of the district for that pupil or a pro rata portion of the foundation aid formula allowance for pupils who receive services by contract on less than a full time basis. In the 1982-1983 school year and each year thereafter, for special instruction or training and services provided for any pupil pursuant to section 120.17, subdivision 2, clause (h), by contract with public, private or voluntary agencies other than Minnesota school districts, the state shall pay each district 53.3 percent of the difference between the amount of the contract and the foundation aid formula allowance of the district for that pupil or a pro rata portion of the foundation aid formula allowance for pupils who receive services by contract on less than a full time basis.*

(2) *For the 1981-1982 school year for special instruction or training and services provided for a pupil by such a contract as part of a summer school program, the state shall pay each district 60 percent of the difference between the amount of the contract and the summer school revenue allowance of the district attributable to that pupil. For the 1982-1983 school year and each year thereafter, for special instruction or training and services provided for a pupil by such a contract as part of a summer school program, the state shall pay each district 53.3 percent of the difference between the amount of the contract and the summer school revenue allowance of the district attributable to that pupil.*

Sec. 14. Minnesota Statutes 1980, Section 124.32, Subdivision 2, is amended to read:

Subd. 2. *For the 1981-82 school year the state shall pay each district for supplies and equipment purchased or rented for use in the instruction of handicapped children an amount equal to one-half of the sum actually expended by the district but not to exceed an average of \$50 in any one school year for each handicapped child receiving instruction. For the 1982-83 school year and each year thereafter, the state shall pay each district for supplies and equipment purchased or rented for use in the instruction of handicapped children an amount equal to 44.4 percent of the sum actually expended by the district but not to exceed an average of \$44.44 in any one school year for each handicapped child receiving instruction.*

Sec. 15. Minnesota Statutes 1981 Supplement, Section 124.32, Subdivision 5, is amended to read:

Subd. 5. When a handicapped child is placed in a residential facility approved by the commissioner and established primarily to serve handicapped children and when the child's educational program is approved by the commissioner, the state shall pay aid to the resident district under the provisions of this subdivision. For the 1981-1982 regular school year, the aid shall be an amount not to exceed 60 percent of the difference between the instructional costs charged to the resident district and the foundation aid formula allowance, for each handicapped child placed in a residential facility. For summer school

programs, the aid for each handicapped child placed in a residential facility shall be an amount not to exceed 60 percent of the difference between the instructional costs charged to the resident district and the summer school revenue allowance in the resident district attributable to that child. *For the 1982-1983 regular school year and each year thereafter, the aid shall be an amount not to exceed 35.7 percent of the difference between the instructional costs charged to the resident district and the foundation aid formula allowance, for each handicapped child placed in a residential facility. For summer school programs, the aid for each handicapped child placed in a residential facility shall be an amount not to exceed 35.7 percent of the difference between the instructional costs charged to the resident district and the summer school revenue allowance in the resident district attributable to that child.* No aid shall be paid pursuant to this subdivision for tuition charged a resident district pursuant to section 120.17, subdivision 7a, for a child placed at the Minnesota school for the deaf or the Minnesota braille and sight-saving school.

The following types of facilities may be approved by the commissioner:

(a) A residential facility operated by the state or public school district and designed to serve the low incidence handicapped, the multiple handicapped, or the most severely handicapped children within the state.

(b) A private, nonsectarian residential facility designed to provide educational services for handicapped children within the state.

(c) A state hospital or private nonsectarian residential center designed to provide care and treatment for handicapped children.

Sec. 16. Minnesota Statutes 1980, Section 124.32, Subdivision 10, is amended to read:

Subd. 10. [SUMMER SCHOOL.] The state shall pay aid for summer school programs for handicapped children on the basis of the sections of Minnesota Statutes providing aid for handicapped children for the preceding school year. *For 1982 summer school, the summer school aid shall be computed using the 1982-83 formula amounts.* ~~On or before~~ By March 15 of each year, districts shall submit separate applications for program and budget approval for summer school programs. The review of these applications shall be as provided in subdivision 7. By May 1 of each year, the commissioner shall approve, disapprove or modify the applications and notify the districts of ~~his~~ *the* action and of the estimated amount of aid for the summer school programs. Aid for these programs shall be paid ~~on or before the October 1~~ *by November 15* after the summer when the programs are conducted.

Sec. 17. Minnesota Statutes 1981 Supplement, Section 124.38, Subdivision 7, is amended to read:

Subd. 7. "Maximum effort debt service levy" means the lesser of:

(1) A levy in whichever of the following amounts is applicable:

(a) In any school district granted a debt service loan after July 31, 1981 or granted a capital loan which is approved after July 31, 1981, a levy in a total dollar amount computed as 16 mills on the adjusted assessed value;

(b) In any school district granted a debt service loan before August 1, 1981 or granted a capital loan which was approved before August 1, 1981, a levy in a

total dollar amount computed as 15 mills on the adjusted assessed value, until and unless the district receives an additional loan; or

(2) A levy in whichever of the following amounts is applicable:

(a) In any school district which received a debt service or capital loan from the state before January 1, 1965, a levy in a total dollar amount computed as 4.10 mills on the market value in each year, unless the district applies or has applied for an additional loan subsequent to January 1, 1965, or issues or has issued bonds on the public market, other than bonds refunding state loans, subsequent to January 1, 1967;

(b) In any school district granted a debt service or capital loan between January 1, 1965, and July 1, 1969, a levy in a total dollar amount computed as 5-1/2 mills on the market value in each year, until and unless the district receives an additional loan;

(c) In any school district granted a debt service or capital loan between July 1, 1969 and July 1, 1975, a levy in a total dollar amount computed as 6.3 mills on market value in each year until and unless the district has received an additional loan;

(d) In any school district ~~granted for which a capital loan between July 1, 1977 and June 2, 1981 was approved prior to August 1, 1981~~, a levy in a total dollar amount equal to the sum of the amount of the required debt service levy and an amount which when levied annually will in the opinion of the commissioner be sufficient to retire the remaining interest and principal on any outstanding loans from the state within 30 years of the original date when the capital loan was granted; provided, that the school board in any district affected by the provisions of clause (2)(d) may elect instead to determine the amount of its levy according to the provisions of clause (1); provided further that if a district's capital loan is not paid within 30 years because it elects to determine the amount of its levy according to the provisions of clause (2)(d), the liability of the district for the amount of the difference between the amount it levied under clause (2)(d) and the amount it would have levied under clause (1), and for interest on the amount of that difference, shall not be satisfied and discharged pursuant to section 124.43, subdivision 4.

Sec. 18. Minnesota Statutes 1981 Supplement, Section 124.5621, Subdivision 12, is amended to read:

Subd. 12. [INSTRUCTIONAL AID FORMULA.] ~~In each~~ (1) For fiscal year 1982, each district which operates an AVTI shall receive post-secondary vocational instructional aid computed according to the following formula:

(a) The instructional program allowance for that AVTI in the base year, multiplied by

(b) The AVTI staff compensation weighting for that AVTI, multiplied by

(c) 119 percent, multiplied by

(d) The student growth or decline factor for that AVTI.

(2) For fiscal year 1983, each district which operates an AVTI shall receive post-secondary vocational instructional aid computed according to the following formula:

(a) The instructional program allowance for that AVTI in the base year,

multiplied by

(b) The AVTI staff compensation weighting for that AVTI, multiplied by

(c) 109.5 percent, multiplied by

(d) The student growth or decline factor for that AVTI.

Sec. 19. Minnesota Statutes 1980, Section 124.572, Subdivision 2, is amended to read:

Subd. 2. [ADULT VOCATIONAL AID.] The state shall pay to any district or cooperative vocational center ~~75~~ 69 percent of the salaries paid to essential, licensed personnel or personnel exempt from licensure pursuant to section 125.031 in that school year for services rendered in that district's or center's adult vocational education programs. In addition, the state shall pay ~~50~~ 46.25 percent of the costs of necessary travel between instructional sites by adult vocational education teachers. The commissioner may withhold all or any portion of this aid for an adult vocational education program which receives moneys from any other source, and in no event shall a district or center receive a total amount of state aid for salaries and travel pursuant to this section which, when added to moneys from other sources, will provide the program an amount for salaries and travel which exceeds 100 percent of the amount of its expenditures for salaries and travel in the program.

Sec. 20. Minnesota Statutes 1981 Supplement, Section 124.573, Subdivision 2, is amended to read:

Subd. 2. [SALARIES, ~~EQUIPMENT~~ AND TRAVEL.] In the 1981-1982 school year ~~and each year thereafter~~, the state shall pay to any district or cooperative center 45 percent of the salaries paid to essential, licensed personnel in that school year for services rendered in that district's or center's secondary vocational education programs. In addition, the state shall pay 45 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers, 45 percent of the costs of necessary travel by secondary vocational education teachers accompanying students to and from vocational student organization meetings held within the state for educational purposes, and 45 percent of the costs of necessary equipment for these programs. No secondary vocational equipment aid shall be paid beginning with the 1982-1983 school year. The commissioner may withhold all or any portion of this aid for a secondary vocational education program which receives funds from any other source, and in no event shall a district or center receive a total amount of state aid pursuant to this section which, when added to funds from other sources, will provide the program an amount for salaries, equipment and travel which exceeds 100 percent of the amount of its expenditures for salaries, equipment and travel in the program. *In the 1982-1983 school year and each year thereafter, the state shall pay to any district or cooperative center 41.6 percent of the salaries paid to essential, licensed personnel in that school year for services rendered in that district's or center's secondary vocational education programs. In addition, the state shall pay 41.6 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers, and 41.6 percent of the costs of necessary travel by secondary vocational education teachers accompanying students to and from vocational student organization meetings held within the state for educational purposes. No secondary vocational equipment aid shall be paid beginning with the 1982-*

1983 school year. *The commissioner may withhold all or any portion of this aid for a secondary vocational education program which receives funds from any other source, and in no event shall a district or center receive a total amount of state aid pursuant to this section which, when added to funds from other sources, will provide the program an amount for salaries, equipment and travel which exceeds 100 percent of the amount of its expenditures for salaries, equipment and travel in the program.*

Sec. 21. Minnesota Statutes 1981 Supplement, Section 124.573, Subdivision 3a, is amended to read:

Subd. 3a. [AID FOR CONTRACTED SERVICES.] In addition to the provisions of subdivisions 2 and 3, a school district or cooperative center may contract with a public or private agency other than a Minnesota school district or cooperative center for the provision of secondary vocational education services. *In the 1981-1982 school year, the state shall pay each district or cooperative center 40 percent of the amount of a contract entered into pursuant to this subdivision. In the 1982-1983 school year and each year thereafter, the state shall pay each district or cooperative center 37 percent of the amount of a contract entered into pursuant to this subdivision.* The state board shall promulgate rules relating to program approval procedures and criteria for these contracts and aid shall be paid only for contracts approved by the commissioner of education. For the purposes of subdivision 4, the district or cooperative center contracting for these services shall be construed to be providing the services. For the purposes of subdivision 5, aid for these contracts shall be distributed on the same basis as aids for salaries and travel.

Sec. 22. Minnesota Statutes 1981 Supplement, Section 124.574, Subdivision 2, is amended to read:

Subd. 2. [SALARIES.] (a) ~~For the 1981-1982 and 1982-1983 school years~~ *For the 1981-1982 school year, the state shall pay to any district or cooperative center 65 percent of the salaries paid to essential licensed personnel in that school year for services rendered in that district or center's secondary vocational education programs for handicapped children. For the 1982-1983 school year, the state shall pay to any district or cooperative center 60 percent of the salaries paid to essential licensed personnel in that school year for services rendered in that district's or center's secondary vocational education program for handicapped children.*

(b) Beginning in the 1983-1984 school year and each year thereafter, the state shall pay to any district or cooperative center 70 percent of the salaries paid to essential licensed personnel in that school year for services rendered in that district or center's secondary vocational education programs for handicapped children.

Sec. 23. Minnesota Statutes 1980, Section 124.574, Subdivision 3, is amended to read:

Subd. 3. In addition to the provisions of subdivision 2, the state shall pay:

(a) *In the 1981-1982 school year, 50 percent of the costs of necessary equipment for these secondary vocational education programs for handicapped children; in the 1982-1983 school year and each year thereafter, 46.25 percent of the costs of necessary equipment for these secondary vocational education programs for handicapped children;*

(b) *In the 1981-1982 school year, 50 percent of the costs of necessary travel*

between instructional sites by secondary vocational education teachers of handicapped children, but not including travel to and from local, regional, district, state or national vocational student organization meetings; in the 1982-1983 school year and each year thereafter, 46.25 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers of handicapped children, but not including travel to and from local, regional, district, state or national vocational student organization meetings; and

(c) For the 1981-1982 school year, 50 percent of the costs of necessary supplies for these secondary vocational education programs for handicapped children, but not to exceed an average of \$50 in any one school year for each handicapped child receiving these services; in the 1982-1983 school year and each year thereafter, 46.25 percent of the costs of necessary supplies for these secondary vocational education programs for handicapped children, but not to exceed an average of \$46.25 in any one school year for each handicapped child receiving these services.

Sec. 24. Minnesota Statutes 1980, Section 134.34, is amended by adding a subdivision to read:

Subd. 5. [MAINTENANCE OF EFFORT; EXCEPTION.] Notwithstanding subdivision 4, a regional library system support grant may be made in fiscal year 1983 to a regional public library system for a participating city or county which decreases the dollar amount provided by it for operating purposes of public library service below the amount provided by it for 1981 if the amount provided by the city or county in 1982 is not less than the amount provided by it in 1980. A regional library system support grant may be made in fiscal year 1984 to a regional public library system for a participating city or county which decreases the dollar amount provided by it for operating purposes of public library service below the amount provided by it for 1982, if the amount provided by the city or county in 1983 is not less than the amount provided by it in 1981. This subdivision shall not affect the eligibility of cities or counties to declare all or part of their library levies as special levies under the provisions of section 275.50, subdivision 5, clause (c).

Sec. 25. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 2g. [SUMMER SCHOOL LEVY.] Beginning with the 1982 levy for programs in the summer of 1982 and each year thereafter, a district may levy, for summer school offered pursuant to section 2, an amount not to exceed \$20 per actual pupil unit for the regular school year prior to the summer program.

Sec. 26. Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 11b, is amended to read:

Subd. 11b. [SPECIAL PURPOSE CAPITAL EXPENDITURE LEVY.] In 1981 and each year thereafter, In addition to the levy authorized in subdivision 11a, a school district may levy each year an amount not to exceed the amount equal to \$25 per pupil unit. No levy under this clause shall exceed two mills times the adjusted assessed valuation of the property in the district for the preceding year. The proceeds of the tax shall be placed in the district's capital expenditure fund and may be used only for the following:

(a) for energy audits on district owned buildings conducted pursuant to

chapter 116H, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;

(b) for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped persons;

(c) for capital expenditures to bring district facilities into compliance with the uniform fire code adopted pursuant to chapter 299F;

(d) *for capital expenditures required to pay for special assessments against school district property.*

Sec. 27. Minnesota Statutes 1980, Section 275.48, is amended to read:

275.48 [ADDITIONAL TAX LEVIES IN CERTAIN MUNICIPALITIES.]

~~Whenever~~ When by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the assessed valuation of ~~any~~ a city, township or school district for ~~any~~ a taxable year is reduced after the taxes for ~~such~~ the year have been spread by the county auditor, and ~~whenever~~ when the mill rate ~~as~~ determined by the county auditor based ~~upon~~ on the original assessed valuation is applied ~~upon~~ ~~such~~ on the reduced ~~valuations~~ valuation and does not produce the full amount of taxes ~~as~~ actually levied and certified for ~~such~~ that taxable year ~~upon~~ on the original assessed ~~valuations~~ valuation, ~~such~~ the city, township or school district may include ~~an additional amount~~ in its tax levy made following final determination and notice of ~~such~~ the reduction in assessed valuation; ~~an~~. The amount ~~shall~~ equal to the difference between the total amount of taxes actually levied and certified for ~~such~~ that taxable year upon the original assessed valuation, not exceeding the maximum amount which could be raised ~~upon~~ ~~such~~ on the assessed valuation as reduced, within existing mill limitations, if any, and the amount of taxes collected for ~~such~~ that taxable year ~~upon~~ ~~such~~ on the reduced ~~valuations~~ valuation. The total tax levy authorized for a school district by this section shall be reduced by the total amount of any abatement adjustments received by the district pursuant to section 124.214, subdivision 2, in the same calendar year in which the levy is certified. ~~Prior to September 15 of each year, the commissioner of education shall certify to each county auditor the amount of any abatement adjustments paid in that year to each school district in that county. As part of the certification required by section 275.125, subdivision 10, the commissioner of education shall certify the amount of the abatement levy limitation adjustment for each school district headquartered in that county.~~

Except for school districts, the amount of taxes so included shall be levied separately and shall be levied in addition to all limitations imposed by law; and further shall not result in any penalty in the nature of a reduction in state aid of any kind.

Sec. 28. Laws 1981, Third Special Session Chapter 2, Article II, Section 1, is amended to read:

Section 1. [EDUCATION AID REDUCTIONS; SUMMARY.]

The sums set forth in the columns designated "APPROPRIATION REDUCTIONS" are reduced from the general fund appropriations to the depart-

ment of education. The figures "1982" and "1983" when used in ~~section 2 of this article~~ *Laws 1981, Third Special Session Chapter 2, Article II, Section 2*, mean that the appropriation reductions listed are from the appropriations for the fiscal years ending June 30, 1982 or June 30, 1983, respectively.

SUMMARY OF REDUCTIONS

	1982	1983
EDUCATION AIDS	(-0-)	(\$160,900,000)
	(\$22,500)	(\$160,877,500)

APPROPRIATION REDUCTIONS

1982	1983
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Sec. 29. Laws 1981, Third Special Session Chapter 2, Article II, Section 2, is amended to read:

Sec. 2. [APPROPRIATION REDUCTIONS.]

The general fund appropriations in Laws 1981, Chapter 358, as amended by Laws 1981, First Special Session, Chapter 2, are reduced by the listed amounts. The appropriation reductions in this section are from the portion of the appropriation provided for the current year and not from the portion of the appropriation provided for the prior year.

(a) Foundation Aid	(-0-)	(\$68,481,500)
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The appropriation reduction in paragraph (a) represents four and nine-tenths percent of the formula allowance for foundation aid for fiscal year 1983 payable in fiscal year 1983, plus a reduction due to the one mill levy increase authorized by this article.

(b) Summer School	(-0-)	(12,066,400)
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(c) Transportation Aid	(-0-)	(34,655,400)
		(32,930,400)

The appropriation reduction in paragraph (c) represents: (1) *the product of: (i) the sum of the appropriation provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358, Article II, Section 15, Subdivision 2, as amended by Laws 1981, First Special Session, Chapter 2, Section 9, Subdivision 2; plus (2) the proceeds of the two-mill one-mill levy authorized by this article Minnesota Statutes 1980, Section 275.125, Subdivision 5; times (3) (ii) seven and one-half percent; (2) plus a reduction due to the one-mill levy increase authorized by Laws 1981, Third Special Session Chapter 2, Article II, Section 12.*

(d) Special Education Aid	(-0-)	(7,076,000)
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The appropriation reductions in paragraphs (d) to (k) represent seven and one-half percent of the appropriations provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358, as amended by Laws 1981, First

Special Session, Chapter 2.

(e) Summer School Special Education Aid	(-0-)	(366,500)
(f) Handicapped Pupils Placed in Residential Facilities	(-0-)	(47,300)
(g) Limited English Proficiency Pupils Program Aid	(-0-)	(251,600)
(h) American Indian Language and Culture Program	(-0-)	(33,500)
(i) Hearing Impaired Support Services Aid	(-0-)	(3,000)
(j) Adult Education Aid	(-0-)	(84,600)
(k) Community Education Aid	(-0-)	(240,000)
(l) Post-Secondary Vocational Instructional Aids	(-0-)	(3,949,900)

The appropriation reductions in paragraphs (l) to (p) represent eight percent of the appropriations provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358.

(m) Post-Secondary Vocational Supply Aid	(-0-)	(1,186,300)
(n) Post-Secondary Vocational Support Services Aid	(-0-)	(1,215,300)
(o) Post-Secondary Vocational Equipment Aid	(-0-)	(729,600)
(p) Post-Secondary Vocational Repair and Betterment Aid	(-0-)	(95,200)
(q) Adult Vocational Education Aid	(-0-)	(481,400)

The appropriation reductions in paragraphs (q) to (ll) represent a reduction of seven and one-half percent of the appropriations provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358.

(r) Adult Vocational Programs in Energy Management for Building Operators	(-0-)	(3,300)
(s) Veteran Farmers Cooperative Training Programs	(-0-)	(44,200)
(t) Secondary Vocational Education Aid	(-0-)	(1,348,300)
(u) Secondary Vocational Programs for Handicapped Children	(-0-)	(159,700)
(v) Health and Developmental Screening Programs	(-0-)	(80,600)
(w) Abatement Aid	(-0-)	(224,100)
(x) Capital Expenditure Equalization Aid	(-0-)	(28,200)

(y) Special Purpose Capital Expenditure Equalization Aid	(-0-)	(4,400)
(z) Educational Cooperative Service Units	(-0-)	(57,700)
(aa) Gifted and Talented Students	(-0-)	(40,800)
(bb) Alternative Grants	(-0-)	(11,300)
(cc) Council on Quality Education Venture Fund Grants	(-0-)	(38,300)
(dd) Early Childhood and Family Education Programs	(-0-)	(95,600)
(ee) Basic Support Grants for Library Services	(-0-)	(273,000)
(ff) Multi-County Library Systems	(-0-)	(11,600)
(gg) Nonpublic Educational Aids	(-0-)	(288,600)
(hh) Indian Education Programs	(-0-)	(11,300)
(ii) Chemical Use Programs	(-0-)	(62,000)
(jj) Extended Leaves of Absence	(-0-)	(118,100)
(kk) Part-time Teaching	(-0-)	(5,700)
(ll) Early Retirement Incentives	(-0-)	(135,400)
(mm) Improved Learning Program	(22,500)	(-0-)

The appropriation reduction in paragraph (mm) represents a reduction of seven and one-half percent of the appropriation provided for fiscal year 1982 in Laws 1981, Chapter 358, Article VI, Section 46, Subdivision 19.

(mm) (nn) General Reduction	(-0-)	(26,894,300) (28,596,800)
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The commissioner of education shall apportion the reduction in paragraph ~~(mm)~~ (nn) among school districts, public library systems, multi-type library systems, and educational cooperative service units, and regional management information systems in the same manner in which he apportioned the education aid reductions made in fiscal year 1981 pursuant to Minnesota Statutes 1980, Sections 16A.15, Subdivision 1, and 124.77, because funds in the state treasury were insufficient.

Sec. 30. Laws 1981, Third Special Session Chapter 2, Article II, Section 20, is amended to read:

Sec. 20. [EFFECTIVE DATE.]

Sections 1 to 9 and 11 to 19 are effective the day following final enactment. Section 10 is effective for levies certified in 1982 payable 1983 on July 1, 1982.

Sec. 31. [APPROPRIATION.]

There is appropriated from the general fund to Independent School District No. 309, Pine Point School, the sum of \$25,000 for fiscal year 1983. The money shall be used for repair of the Pine Point Experimental School.

Sec. 32. [EFFECTIVE DATE.]

Sections 1, 2, 24, 28, 29, 30 and 31 are effective the day following final enactment.

ARTICLE VII

PROPERTY TAX SHIFT

Section 1. Minnesota Statutes 1980; Section 121.904, Subdivision 2, is amended to read:

Subd. 2. *Except as provided in this section, revenues shall be recorded in a manner which clearly indicates that they are applicable to a specific accounting period and fund.*

Sec. 2. Minnesota Statutes 1980, Section 121.904, Subdivision 4, is amended to read:

Subd. 4. *Except as provided in subdivision 4a, as added by Laws 1981, Third Special Session Chapter 2, Article IV, Section 1, revenue shall be recognized as follows: All current levies of local taxes, including portions assumed by the state, shall be recognized as receivable at the beginning of the calendar year during which collection normally takes place. Such receivables shall be reserved for use in the subsequent fiscal year. Payments of current taxes including but not limited to March personal property tax settlements, received prior to July 1, shall be recorded as revenue to be earned as of July 1 with appropriate adjustments to the receivables and the reserves for such taxes. All current taxes received prior to July 1 plus the balance of the reserves shall be recognized as revenue on July 1.*

Sec. 3. Minnesota Statutes 1980, Section 121.904, Subdivision 4a, as added by Laws 1981, Third Special Session Chapter 2, Article IV, Section 1, is amended to read:

Subd. 4a. [LEVY RECOGNITION; PAYABLE 1983.] (1) *For taxes assessed in 1982, payable in 1983, all current levies of local taxes, including portions assumed by the state, shall be recognized as provided in this subdivision.*

(2) *One-third of the March and May property tax settlements shall be recognized as receivable and recorded as revenue in the same fiscal year during which collection normally takes place. These receivables shall be for use in the current fiscal year.*

(3) *Two-thirds of the March and May property tax settlements shall be recognized as receivable and shall be reserved for use in the fiscal year immediately following the fiscal year during which collection normally takes place.*

(4) *All of the October property tax settlements shall be recognized as receivable and recorded as revenue in the same fiscal year during which collection normally takes place. These receivables shall be for use in the current fiscal year.*

(a) *"School district tax settlement revenue" means the current, delinquent, and mobile home property tax receipts collected by the county and distributed*

to the school district, including distributions made pursuant to section 279.37, subdivision 7, and excluding the amount levied pursuant to section 275.125, subdivision 9a.

(b) In June of each year, the school district shall recognize as revenue available for expenditure in the current fiscal year, and shall record this revenue in the fund for which the levy was made, the lesser of:

(1) the June and July school district tax settlement revenue received in that calendar year; or

(2) the sum of the state aid payments enumerated in section 5 which are due in the fiscal year ending that June for the school year ending that June; or

(3) one-sixth of the amount of the spread levy in the current calendar year which remains after subtracting, by fund, the amounts levied for the following purposes:

(i) reducing or eliminating projected deficits in the appropriated fund balance accounts for unemployment insurance and bus purchases;

(ii) statutory operating debt pursuant to section 275.125, subdivision 9a, and Laws 1976, Chapter 20, Section 4; and

(iii) retirement and severance pay pursuant to section 275.125, subdivision 6a, and Laws 1975, Chapter 261, Section 4.

(c) In July of each year, the school district shall recognize as revenue available for expenditure in the current fiscal year, and shall record this revenue in the fund for which the levy was made, that portion of the June and July school district tax settlement revenue received in that calendar year and not recognized as revenue for the previous fiscal year pursuant to clause (b).

(d) All other school district tax settlement revenue shall be recognized as revenue in the fiscal year of the settlement. Portions of the school district levy assumed by the state, including prior year adjustments and the amount to fund the school portion of the reimbursement made pursuant to section 273.425, shall be recognized as revenue in the fiscal year beginning in the calendar year for which the levy is payable.

Sec. 4. Laws 1981, Third Special Session Chapter 2, Article IV, Section 3, Subdivision 2, is amended to read:

Subd. 2. [AMOUNT OF REDUCTION.] State aid payments enumerated in section 6 of this article due any school district in fiscal year 1983 for the 1982-1983 school year ~~under the provisions enumerated in subdivision 3~~ shall be reduced in the order listed by the remainder of the amount the district levied for taxes assessed in 1982, payable in 1983, which is to be recognized recognizes as revenue in for fiscal year 1983 pursuant to section 4.3 of this article, clause (b), minus the amount received pursuant to Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 2d. The district levy against which the reduction is applied shall not include any levy portions that are assumed by the state. For purposes of computing this state aid reduction, the amount levied by the district shall not include the amounts levied to make payments for bonds issued and for interest thereon; the amounts levied for repayment of debt service loans and capital loans; the amounts levied to pay the district's obligations under section 268.06, subdivision 25; and amounts levied pursuant to section 275.125, subdivisions 2d, 6a, 9a, 14a, and 20.

Sec. 5. Laws 1981, Third Special Session, Chapter 2, Article IV, Section 3,

is amended by adding a subdivision to read:

Subd. 2a. [AMOUNT OF ADJUSTMENT.] Beginning with fiscal year 1984 and each year thereafter, state aid payments enumerated in subdivision 3 due any school district in that fiscal year for that school year shall be adjusted in the order listed by the amount equal to the difference between (1) the amount the district recognized as revenue for the prior fiscal year pursuant to section 3 of this article, clause (b); and (2) the amount the district recognizes as revenue for the current fiscal year pursuant to section 3 of this article, clause (b). Any payment authorized from the cash flow loan fund or the permanent school fund shall not be adjusted pursuant to this section.

Sec. 6. Laws 1981, Third Special Session Chapter 2, Article IV, Section 3, Subdivision 3, is amended to read:

Subd. 3. [SUBTRACTION FROM AIDS.] The amount specified in subdivision 2 shall be subtracted from the following state aid payments in the order listed in fiscal year 1983. The amount specified in section 5 of this article shall adjust the following state aid payments in the order listed:

- (a) Foundation aid as authorized in section 124.212, subdivision 1;
- (b) Secondary vocational aid authorized in section 124.573;
- (c) Special education aid authorized in section 124.32;
- (d) Secondary vocational aid for handicapped children authorized in section 124.574;
- (e) Gifted and talented aid authorized in section 124.247;
- (f) Aid for pupils of limited English proficiency authorized in section 124.273;
- (g) Aid for improved learning programs authorized in section 124.251;
- (h) Aid for chemical use programs authorized in section 124.246;
- (i) Transportation aid authorized in section 124.225;
- (j) School lunch aid authorized in section 124.646;
- (k) Community education programs aid authorized in section 124.271;
- (l) Adult education aid authorized in section 124.26;
- (m) Capital expenditure equalization aid authorized in section 124.245;
- (n) Homestead credit payments authorized in section 273.13, subdivisions 6, 7, and 14a;
- (o) Taconite homestead credit payments authorized in section 273.135;
- (p) Wetlands credit authorized in section 273.115;
- (q) Native prairie credit authorized in section 273.116; and
- (r) Attached machinery aid authorized in section 273.138, subdivision 3.

The commissioner of education shall schedule the timing of the reductions from state aid payments specified in subdivision 2 in such a manner that will minimize the impact of this article on the cash flow needs of the school districts.

Sec. 7. Laws 1981, Third Special Session Chapter 2, Article IV, Section 3, Subdivision 4, is amended to read:

Subd. 4. [ACCOUNTING.] Notwithstanding any law to the contrary, the amount the district recognizes as revenue pursuant to section 3 of this article, clause (b), which is of the levy subtracted from state aid payments shall be recognized and reported on the school district books of account in the same way that the state aid payments would have been recognized and reported.

Sec. 8. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 21. [REPORTING.] The school district tax settlement revenue defined in section 3 of this article, clause (a), and the amount levied pursuant to subdivision 9a shall be reported by the county auditor to each school district by fund for each settlement on the form specified in section 276.10. The county auditor shall report the spread levy to the district on the report specified in section 275.124.

Sec. 9. [REPEALER.]

Laws 1981, Third Special Session Chapter 2, Article IV, Sections 2 and 7, are repealed."

Delete the title and insert:

"A bill for an act relating to education; providing for aids to education, aids to libraries; tax levies and distribution of tax revenues; granting certain duties and powers to school boards, school districts, the state board of education; appropriating money; amending Minnesota Statutes 1980, Sections 120.73, Subdivision 1; 121.904, Subdivisions 2, 4, and 4a, as added; 123.32, Subdivision 1 and by adding a subdivision; 124.225, as amended; 124.32, Subdivisions 2, 7, and 10; 124.572, Subdivision 2; 124.574, Subdivision 3; 134.34, by adding a subdivision; 275.125, Subdivision 5, as amended, and by adding subdivisions; 275.48; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivision 6; 121.912, Subdivision 1; 123.705; 123.937; 124.2122, Subdivisions 1, as amended, and 2, as amended; 124.2124, by adding a subdivision; 124.2125, Subdivision 2; 124.2126, Subdivision 3; 124.2129, by adding a subdivision; 124.223; 124.245, Subdivisions 1 and 1a; 124.246, Subdivision 2; 124.247, Subdivision 3; 124.26, Subdivision 1; 124.271, Subdivision 2; 124.273, Subdivisions 1 and 2; 124.32, Subdivisions 1, 1b, and 5; 124.38, Subdivision 7; 124.5621, Subdivision 12; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 124.573, Subdivisions 2 and 3a; 124.574, Subdivision 2; 125.611, Subdivision 5; 275.125, Subdivisions 1, 2d, 7a, and 11b; 354.66, Subdivision 6; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3; Third Special Session Chapter 2, Article II, Sections 1, 2, and 20; and Article IV, Section 3, Subdivisions 2, 3, 4, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 121; repealing Minnesota Statutes 1980, Sections 121.96; 128.05; Laws 1967, Chapters 251 and 253; Laws 1976, Chapter 20, Section 8; Laws 1981, Third Special Session Chapter 2, Article IV, Sections 2 and 7."

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

SECOND READING OF SENATE BILLS

S.F. Nos. 588, 303, 2127, 1947 and 1451 were read the second time.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:00 p.m., Friday, March 5, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate