

EIGHTY-SECOND DAY

St. Paul, Minnesota, Friday, March 5, 1982

The Senate met at 2:00 p.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. Richard Goebel.

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. Mr. Sieloff was excused from the Session of today at 4:50 p.m. Messrs. Petty and Pillsbury were excused from the Session of today at 5:00 p.m. Mr. Hughes was excused from this evening's Session.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S.F. No. 860.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 4, 1982

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1707, 1794, 2170, 1941, 1975, 1993, 1795, 1799, 1852, 1863, 1690, 1939, 1625, 1701, 1235, 1906, 1572, 2058, 2073, 1499 and 2011.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 4, 1982

FIRST READING OF HOUSE BILLS

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

H.F. No. 1707: A bill for an act relating to transportation; allowing certain vehicles to cross certain railroad crossings without stopping; removing the requirement for designated routes for certain buses; modifying the public transit capital grant assistance program; providing for public transit contract procedures; amending Minnesota Statutes 1980, Sections 169.28; 169.29; 169.80, Subdivisions 2 and 2a; 174.245; Laws 1981, Chapter 363, Section 55, Subdivision 1, as amended; repealing Minnesota Statutes 1980, Section 219.21.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1662, now on the Calendar.

H.F. No. 1794: A bill for an act relating to health; providing for an advisory task force to make recommendations on the distribution of funds for maternal and child health care needs; proposing new law coded in Minnesota Statutes, Chapter 145.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1775, now on the Calendar.

H.F. No. 2170: A bill for an act relating to state lands; authorizing sale and conveyance of a certain tract in order to correct a survey error.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2090.

H.F. No. 1941: A bill for an act relating to agriculture; setting a standard of proof and procedures for decision and appeal for claims of damage to livestock by endangered species; amending Minnesota Statutes 1980, Section 3.737, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1826.

H.F. No. 1975: A bill for an act relating to local government; permitting towns to issue off-sale liquor licenses; amending Minnesota Statutes 1980, Section 340.11, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1920.

H.F. No. 1993: A bill for an act relating to intoxicating liquor; veteran's

organization licenses in first class cities; amending Minnesota Statutes 1980, Section 340.11, Subdivision 11.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1979, now on General Orders.

H.F. No. 1795: A bill for an act relating to the city of Minneapolis; changing limitations on housing programs in two Minneapolis development districts; amending Laws 1971, Chapter 677.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1718, now on the Calendar.

H.F. No. 1799: A bill for an act relating to health; providing for evaluation of certain changes in certificate of need review; requiring certain price information to be reported and disseminated; requiring monitoring; amending the thresholds of review; providing for additional waivers; requiring reports; amending Minnesota Statutes 1980, Sections 145.833, Subdivision 5; 145.835, Subdivisions 3 and 4; Minnesota Statutes 1981 Supplement, Sections 250.05, Subdivision 4; 447.45, Subdivision 1; and 474.03; proposing new law coded in Minnesota Statutes, Chapter 144; repealing Minnesota Statutes 1980, Sections 145.832 to 145.845, as amended; and Minnesota Statutes 1981 Supplement, Sections 62D.22, Subdivision 6; 145.834; and 145.845.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1794.

H.F. No. 1852: A bill for an act relating to waters; making the water well contractors and exploratory borers advisory council permanent; amending Minnesota Statutes 1980, Section 156A.06, Subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1900.

H.F. No. 1863: A bill for an act relating to credit unions; providing for approval of amendments to certificates of organization and bylaws; authorizing the board of directors to appoint a credit committee or a credit manager; prescribing the powers of a credit committee and credit manager; allowing certain nonmembers to establish individual retirement accounts; amending Minnesota Statutes 1980, Sections 52.02; 52.08; 52.09, Subdivisions 2 and 3; 52.10; and 52.135.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1761, now on the Calendar.

H.F. No. 1690: A bill for an act relating to public welfare; requiring the commissioner of public welfare to promulgate rules which establish foster care maintenance payments by the state; establishing a state goal for the reduction of the number of children in residential facilities for more than 24 months; requiring the commissioner of public welfare to comply with the requirements of Title IV-E of the federal Social Security Act in order to obtain adoption assistance funds for eligible children; expanding the eligibility for medical assistance to include children receiving foster care maintenance payments under Title IV-E of the federal Social Security Act; authorizing the transfer of funds; amending Minnesota Statutes 1980, Sections 256.82; 257.071, by adding a subdivision; and 259.40, Subdivisions 2, 3, and 10; Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1, as amended.

Referred to the Committee on Finance.

H.F. No. 1939: A bill for an act relating to transportation; directing the commissioner of transportation to construct a parkway along a certain route in the city of St. Paul; amending Minnesota Statutes 1980, Sections 161.12; 161.1245, Subdivision 1; repealing Minnesota Statutes 1980, Section 161.1245, Subdivision 2.

Referred to the Committee on Rules and Administration.

H.F. No. 1625: A bill for an act relating to retirement; public employees retirement association; changing the reduction factors for early retirement; amending Minnesota Statutes 1980, Section 353.30, Subdivisions 1 and 1a; Minnesota Statutes 1981 Supplement, Section 353.30, Subdivision 1c; repealing Minnesota Statutes 1980, Section 353.30, Subdivision 1b.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1548, now on General Orders.

H.F. No. 1701: A bill for an act relating to the city of Hibbing; authorizing increases in certain firefighters service pensions and survivor benefits; amending Laws 1977, Chapter 169, Section 1 and Laws 1971, Chapter 614, Section 1, Subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1629, now on General Orders.

H.F. No. 1235: A bill for an act relating to state lands; authorizing the conveyance by the state of its interest in certain lands in Lyon County and Wright County.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1130, now on the Calendar.

H.F. No. 1906: A bill for an act relating to local government; allowing the city of Orr and the town of Leiding to assess the cost of maintenance of television relay service.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1801, now on the Calendar.

H.F. No. 1572: A bill for an act relating to health; establishing the right to complete information on all alternative treatments for patients with breast cancer; amending Minnesota Statutes 1980, Section 144.651.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1504.

H.F. No. 2058: A bill for an act relating to public welfare; providing for classification, access, and destruction of certain child abuse report records; clarifying the classification of reports regarding vulnerable adults; amending Minnesota Statutes 1980, Sections 626.556, Subdivisions 3, 7, and by adding a subdivision; 626.557, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 626.556, Subdivision 11.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2038.

H.F. No. 2073: A bill for an act relating to resource recovery; permitting the

use of waste oil burners in certain gasoline stations and garages; proposing new law coded in Minnesota Statutes, Chapter 299F.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2055, now on the Calendar.

H.F. No. 1499: A bill for an act relating to the commitment of persons who are mentally ill, mentally ill and dangerous, mentally retarded, or chemically dependent; providing for informal admissions by consent, involuntary emergency admissions and for involuntary commitment by civil judicial procedures; providing for rights of persons admitted under voluntary, emergency or involuntary judicial procedures; requiring pre-petition screening; providing for commitment hearings and procedures in conformance with due process; requiring a hearing and review before final determination of commitment; providing for commitment for determinate periods; providing for provisional discharge and partial hospitalization; requiring special review boards for mentally ill and dangerous and psychopathic personalities; establishing review boards for civilly committed persons; providing penalties; proposing new law coded in Minnesota Statutes, Chapter 253A; repealing Minnesota Statutes 1980, Sections 253A.01 to 253A.23.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1459, now on the Calendar.

H.F. No. 2011: A bill for an act relating to commerce; motor vehicle sale and distribution; providing for the termination or cancellation of franchise agreements and certain payments to be made by manufacturers in the event thereof; 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.03, Subdivision 8; 80E.07, Subdivision 1; 80E.09, Subdivisions 1, 2 and 3; 80E.11, Subdivisions 2 and 6; and 80E.14, Subdivision 2; and proposing new law coded in Minnesota Statutes, Chapter 80E.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1963, 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. 1556 and reports pertaining to appointments. The motion prevailed.

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

H.F. No. 2116: A bill for an act relating to Blue Earth County; permitting county board members to serve on the county housing and redevelopment authority.

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

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

H.F. No. 1573: A bill for an act relating to crimes; prohibiting the manufacture, sale, transfer and delivery of simulated controlled substances; pro-

hibiting their manufacture, sale, transfer and delivery; providing penalties; amending Minnesota Statutes 1980, Sections 152.09, Subdivision 1; 152.15, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 152.

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

Page 1, line 13, delete the second "or"

Page 1, line 14, delete everything before "a"

Page 1, line 19, delete "such" and insert "a"

Page 1, line 24, delete everything after the period

Page 1, delete lines 25 to 27

Page 2, delete lines 1 to 10

Page 2, line 14, before "prescribing" insert "This section does not apply to the"

Page 2, line 15, delete "is"

Page 2, line 16, delete everything before the period

Page 2, line 19, after "1." insert "[UNLAWFUL ACTS.]"

Page 2, line 21, after "to" insert a colon

Page 2, line 22, strike "manufacture" and insert "Manufacture"

Page 2, line 26, strike "possess" and insert "Possess"

Page 2, line 26, strike "such" and insert "the"

Page 2, line 28, delete "manufacture" and insert "Manufacture"

Page 2, line 28, delete "or attempt to"

Page 2, line 29, delete "sell, transfer or deliver"

Page 2, line 29, delete "under"

Page 2, line 30, delete "circumstances set forth"

Page 2, line 30, after "in" insert "violation of"

Page 2, line 34, after "selling," insert "or"

Page 2, line 34, delete "or attempting"

Page 2, line 35, delete "to transfer, sell, or deliver" and delete "under"

Page 2, line 36, delete everything before "may"

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. 1611: A bill for an act relating to law libraries; recodifying the laws governing county law libraries; amending Minnesota Statutes 1980, Sections 140.34; 140.35; 140.36; 140.37; 140.38; 140.39; 140.40; 140.44; 140.45; and 140.46; proposing new law coded in Minnesota Statutes 1980, Chapter

140; repealing Minnesota Statutes 1980, Sections 140.01 to 140.20; 140.212 to 140.33; 140.41 to 140.435; Minnesota Statutes 1981 Supplement, Section 140.21.

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

Page 1, line 19, after "by" delete "the" and insert "a"

Page 2, line 5, strike "so"

Page 2, line 5, strike "either"

Page 2, line 9, strike "or such person as"

Page 2, line 9, delete "he or"

Page 2, line 10, delete "she"

Page 2, line 10, strike "may select"

Page 2, line 11, strike the second "the" and insert "its"

Page 2, line 12, strike "thereof"

Page 2, line 14, strike "member of the state bar association" and insert "attorney admitted to the practice of law"

Page 2, line 15, strike everything after "by"

Page 2, line 16, strike "reside in"

Page 2, line 16, before the period, insert "attorney"

Page 2, line 17, after "trustees" insert a comma

Page 2, line 21, after "trustees" insert a comma

Page 2, line 23, delete "BYLAWS" and insert "MEMBERSHIP CHANGES"

Page 2, line 29, delete "such person as he or she"

Page 2, line 30, delete "may select" and insert "his designee"

Page 2, line 31, after the comma, insert "or his designee,"

Page 3, line 10, strike "At its first meeting and"

Page 3, line 11, strike "annual" and strike "thereafter"

Page 3, line 13, after "member" insert "or"

Page 3, line 24, strike "same" and insert "them"

Page 3, line 27, delete "such" and delete "as are"

Page 3, line 34, strike " , the"

Page 3, line 35, strike "purchase price to be paid out of" and insert "with money from"

Page 4, line 5, after "and" delete "the" and insert "its"

Page 4, line 5, delete "thereof, except"

Page 4, line 6, delete everything before "is"

Page 4, lines 12 and 14, delete the new language

Page 4, lines 11 to 16, strike the old language and insert "*The county auditor shall file with the board of trustees an annual report containing a detailed statement of the receipts and disbursements of the library for the preceding year. The board of trustees shall file an inventory with the county auditor showing the property belonging to the library or loaned or leased to the library.*"

Page 4, line 25, delete "shall"

Page 4, line 26, delete "have authority to" and insert "may"

Page 4, line 26, delete "such" and insert "necessary"

Page 4, line 27, delete "as may be necessary"

Page 4, line 27, delete "to"

Page 4, line 29, after "county" insert a comma

Page 4, line 29, delete "shall have"

Page 4, line 30, delete "authority to" and insert "may"

Page 4, line 30, after the first "and" insert "necessary"

Page 4, line 31, delete "as may be necessary"

Page 4, line 32, delete "to"

Page 4, line 32, after the period, insert "*In all counties where services cannot be provided by the Minnesota state law library, the board of trustees may contract with regional library systems for services.*"

Page 4, line 36, delete "it shall be the duty of" and insert a comma

Page 5, lines 1 and 14, delete "or her designate" and insert "designee"

Page 5, lines 1, 14, and 30, delete "to" and insert "shall"

Page 5, line 9, delete "shall appear" and insert "appears"

Page 5, line 12, delete "or her"

Page 5, line 13, delete "It shall be the duty of"

Page 5, line 18, delete "therein"

Page 5, line 21, delete "therefor"

Page 5, line 25, after the period, insert "*All law library fees shall be published in the state register.*"

Page 5, line 28, delete "not"

Page 5, delete line 29 and insert "other than Hennepin and Ramsey,"

Page 6, line 2, delete "shall appear" and insert "appears"

Page 6, line 5, delete "or her"

Page 6, line 6, delete "It shall be the duty of"

Page 6, line 8, delete "to" and insert "shall"

Page 6, line 12, delete "therein"

Page 6, line 14, delete "*therefor*".

Page 6, line 22, delete "*now or hereafter*".

Page 6, line 31, delete the second comma

Page 6, line 32, delete everything before the period

Page 7, line 14, after "*his*" delete "*or*"

Page 7, line 15, delete "*her*".

Page 7, strike lines 22 and 23

Page 7, line 24, strike "established, but such" and insert "*By July 1, 1982, all county law*"

Page 8, after line 2, insert:

"Sec. 17. Minnesota Statutes 1980, Section 480.09, Subdivision 5, is amended to read:

Subd. 5. All moneys collected shall be paid into the state treasury and shall be added to the current *biennial* appropriation for the library."

Page 8, after line 10, insert:

"Sec. 19. [EFFECTIVE DATE.]

This act is effective the day after final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "and"

Page 1, line 6, after the semicolon, insert "and 480.09, Subdivision 5;"

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. 1484: A bill for an act relating to highway traffic regulations; providing for administrative driving privilege revocations for failure to submit to chemical testing or exceeding prescribed alcohol concentration; authorizing revocations prior to judicial review; revising the procedure for hearings and appeals on administrative revocations; authorizing introduction into evidence certain peace officer records and reports; amending Minnesota Statutes 1980, Section 169.123, Subdivisions 5, 5a, 6, 7, and by adding subdivisions; and 171.19.

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 169.121, Subdivision 1, is amended to read:

Subdivision 1. [CRIME.] It is a misdemeanor for any person to drive, operate or be in physical control of any motor vehicle within this state:

(a) When the person is under the influence of alcohol;

(b) When the person is under the influence of a controlled substance;

(c) When the person is under the influence of a combination of any two or more of the elements named in clauses (a) and (b); or

(d) When the person's alcohol concentration is 0.10 or more.

The provisions of this subdivision apply, but are not limited in application, to any person who drives, operates, or is in physical control of any motor vehicle in the manner prohibited by this subdivision upon the ice of any lake, stream, or river, including but not limited to the ice of any boundary water.

When an accident has occurred, a peace officer may lawfully arrest a person for violation of this section without a warrant upon probable cause, without regard to whether the violation was committed in the officer's presence.

Sec. 2. Minnesota Statutes 1980, Section 169.121, Subdivision 2, is amended to read:

Subd. 2. [EVIDENCE.] Upon the trial of any prosecution arising out of acts alleged to have been committed by any person arrested for driving, operating, or being in physical control of a motor vehicle in violation of subdivision 1, the court may admit evidence of the amount of alcohol or a controlled substance in the person's blood, breath, or urine as shown by a medical or chemical analysis thereof, if the test is taken voluntarily or pursuant to section 169.123.

For the purposes of this subdivision:

(a) evidence that there was at the time an alcohol concentration of 0.05 or less is prima facie evidence that the person was not under the influence of alcohol;

(b) evidence that there was at the time an alcohol concentration of more than 0.05 and less than 0.10 is relevant evidence in indicating whether or not the person was under the influence of alcohol.

Evidence of the absence of tests is admissible in a prosecution under this section without any comment and with a jury instruction, where applicable, that there shall be no speculation as to the reason for the absence and that no inference is to be drawn from the absence.

For purposes of this section and section 169.123, the result of an evidentiary test administered within two hours of the alleged violation is deemed to be the alcohol concentration at the time of the violation.

The foregoing provisions do not limit the introduction of any other competent evidence bearing upon the question whether or not the person was under the influence of alcohol or a controlled substance, including tests obtained more than two hours after the alleged violation.

Sec. 3. Minnesota Statutes 1980, Section 169.121, Subdivision 6, is amended to read:

Subd. 6. [PRELIMINARY SCREENING TEST.] When a peace officer has reason to believe from the manner in which a person is driving, operating, or controlling, or acting upon departure from a motor vehicle, or has driven, operated, or controlled a motor vehicle, that the driver may be violating or has violated subdivision 1, he may require the driver to provide a sample of his breath for a preliminary screening test using a device approved by the com-

missioner of public safety for this purpose. The results of this preliminary screening test shall be used for the purpose of deciding whether an arrest should be made and whether to require the chemical tests authorized in section 169.123, but shall not be used in any court action except to prove that a chemical test was properly required of a person pursuant to section 169.123, subdivision 2. Following the screening test additional tests may be required of the driver pursuant to the provisions of section 169.123.

The driver of a motor vehicle who refuses to furnish a sample of his breath is subject to the provisions of section 169.123 unless, in compliance with section 169.123, he submits to a blood, breath or urine test to determine the presence of alcohol or a controlled substance.

Sec. 4. Minnesota Statutes 1980, Section 169.121, is amended by adding a subdivision to read:

Subd. 8. [ALCOHOL ASSESSMENT.] When the person refuses a preliminary screening test or the evidentiary test shows an alcohol concentration of 0.07 or more, that result shall be reported to the commissioner of public safety. The commissioner shall record that fact on the driver's record. When the driver's record shows a second or subsequent refusal or report of an alcohol concentration of 0.07 or more within two years of a recorded report, the commissioner may require that the driver have an alcohol problem assessment meeting the commissioner's requirements. The assessment shall be at the driver's expense. In no event shall the commissioner suspend the license of a person who refuses to take the assessment or to undertake treatment, if treatment is indicated by the assessment, for longer than 90 days. If an assessment is made pursuant to this section, the commissioner may waive the assessment required by section 169.126.

Sec. 5. Minnesota Statutes 1980, Section 169.123, is amended to read:

Subdivision 1. [PEACE OFFICER DEFINED.] For purposes of this section and section 169.121, the term peace officer means a state highway patrol officer, university of Minnesota peace officer, a constable as defined in section 367.40, subdivision 3, or police officer of any municipality, including towns having powers under section 368.01, or county.

Subd. 2. [IMPLIED CONSENT; CONDITIONS; ELECTION AS TO TYPE OF TEST.] (a) Any person who drives, operates, or is in physical control of a motor vehicle within this state consents, subject to the provisions of this section and section 169.121, to a chemical test of his blood, breath, or urine for the purpose of determining the presence of alcohol or a controlled substance. The test shall be administered at the direction of a peace officer. The test may be required of a person when an officer has reasonable and probable grounds to believe the person was driving, operating, or in physical control of a motor vehicle in violation of section 169.121 and one of the following conditions exist: (1) the person has been lawfully placed under arrest for violation of section 169.121, or an ordinance in conformity therewith; or (2) the person has been involved in a motor vehicle accident or collision resulting in property damage, personal injury, or death; or (3) the person has refused to take the screening test provided for by section 169.121, subdivision 6; or (4) the screening test was administered and recorded an alcohol concentration of 0.10 or more. ~~Any person may decline to take a direct blood test and elect to take either a breath or urine test, whichever is available and offered.~~ No action may

be taken against the person for declining to take a direct blood test unless ~~either a breath or urine~~ an alternative test was available and offered.

(b) At the time a chemical test specimen is requested, the person shall be informed:

(1) that if testing is refused, the person's right to drive will be revoked for a period of six months; and

(2) that if a test is taken and the results indicate that the person is under the influence of alcohol or a controlled substance, the person will be subject to criminal penalties and the person's right to drive may be revoked for a period of 90 days; and

(3) that the person has a right to consult with an attorney but that this right is limited to the extent that it cannot unreasonably delay administration of the test or the person will be deemed to have refused the test; and

(4) that after submitting to testing, the person has the right to have additional tests made by a person of his own choosing.

In addition, a law enforcement agency may permit a person to take a confidential test and decide within 84 hours whether he shall permit use of the test.

Subd. 2b. [CONFIDENTIAL TEST; PROCEDURES; PENALTY.] A law enforcement agency may permit a person who for any reason is undecided whether or not to submit to a test, as required by subdivision 2, to take a confidential test. If the person within 84 hours thereafter declines in writing to permit use of the test, the test has no legal effect and may not be disclosed or used in any proceeding. It shall remain confidential, but the department of public safety may use summary data derived from the test results for statistical purposes. If a person does not within 84 hours decline to permit use of the test, the test is no longer confidential and shall be used to satisfy the requirements of section 169.123. A person who takes a confidential test shall receive no indication of the test results unless within 84 hours he consents in writing to permit use of the test as the test required by subdivision 2. Any person who seeks to learn the result of a test while the test is confidential is guilty of a petty misdemeanor.

If a person takes a confidential test, the peace officer shall take his driver's license or permit as if he had refused to submit to the test and, on behalf of the commissioner of public safety, give notice of intention to revoke and of revocation. The officer shall also issue a temporary license, valid until the time for filing a request for a hearing on the revocation has expired.

An officer who takes a person's driver's license or permit pursuant to this subdivision shall retain the license for 84 hours or until within that time the person in writing either declines to permit use of the test or consents to its use. If the person declines to permit use of the test the person violates section 169.123 and the officer shall proceed as though the test was refused. Otherwise, the officer shall either (1) return the license or permit, if the reading shows less than 0.10 percent alcohol concentration or (2) proceed in accordance with section 169.123, if the reading shows 0.10 percent or more alcohol concentration.

Subd. 3. [MANNER OF MAKING TEST; ADDITIONAL TESTS.] Only a

physician, medical technician, physician's trained mobile intensive care paramedic, registered nurse, medical technologist or laboratory assistant acting at the request of a peace officer may withdraw blood for the purpose of determining the presence of alcohol or controlled substance. This limitation does not apply to the taking of a breath or urine specimen. The person tested has the right to have a person of his own choosing administer a chemical test or tests in addition to any administered at the direction of a peace officer; provided, that the additional test specimen on behalf of the person is obtained at the place where the person is in custody, after the test administered at the direction of a peace officer, and at no expense to the state. The failure or inability to obtain an additional test or tests by a person shall not preclude the admission in evidence of the test taken at the direction of a peace officer unless the additional test was prevented or denied by the peace officer. ~~Upon the request of the person who is tested, full information concerning the test or tests taken at the direction of the peace officer shall be made available to him.~~ The physician, medical technician, physician's trained mobile intensive care paramedic, medical technologist, laboratory assistant or registered nurse drawing blood at the request of a peace officer for the purpose of determining alcohol concentration shall in no manner be liable in any civil or criminal action except for negligence in drawing the blood. The person administering a test at the request and direction of a peace officer shall be fully trained in the administration of the tests pursuant to standards promulgated by rule by the commissioner of public safety.

Subd. 4. [REFUSAL, CONSENT TO PERMIT TEST; REVOCATION OF LICENSE.] If a person refuses to permit chemical testing, none shall be given, but the peace officer shall report the refusal to the commissioner of public safety and the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred. If a person submits to chemical testing and the test results indicate an alcohol concentration of 0.10 or more, the results of the test shall be reported to the commissioner of public safety and to the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred.

Upon certification by the peace officer that there existed reasonable and probable grounds to believe the person had been driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person refused to submit to chemical testing, the commissioner of public safety shall revoke the person's license or permit to drive, or his nonresident operating privilege, for a period of six months. Upon certification by the peace officer that there existed reasonable and probable grounds to believe the person had been driving, operating or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person submitted to chemical testing and the test results indicate an alcohol concentration of 0.10 or more, the commissioner of public safety shall revoke the person's license or permit to drive, or his nonresident operating privilege, for a period of 90 days.

If the person is a resident without a license or permit to operate a motor vehicle in this state, the commissioner of public safety shall deny to the person the issuance of a license or permit for the same period after the date of the alleged violation as provided herein for revocation, subject to review as hereinafter provided.

Subd. 5. [NOTICE OF REVOCATION OR DETERMINATION TO DENY; REQUEST FOR HEARING.] No A revocation under subdivision 4 is becomes effective ~~until at the time the commissioner of public safety or a peace officer acting on his behalf notifies the person of the intention to revoke and of revocation and allows the person a 30 day period to request of the commissioner of public safety, in writing, a hearing as herein provided.~~ If no request is filed within the 30 day period the order of revocation becomes effective. If a request for hearing is filed, a revocation is not effective until a final judicial determination resulting in a decision adverse to the person. The notice shall advise the person of the right to obtain administrative and judicial review as provided in this section. If mailed, the notice and order of revocation is deemed received three days after mailing to the last known address of the person.

Subd. 5a. [PEACE OFFICER AGENT FOR NOTICE OF REVOCATION.] On behalf of the commissioner of public safety a peace officer offering a chemical test or directing the administration of a chemical test may serve immediate notice of intention to revoke and of revocation on a person who refuses to permit chemical testing or on a person who submits to a chemical test the results of which indicate an alcohol concentration of 0.10 or more. The officer shall take the license or permit of the driver, if any, and issue a temporary license effective only for 30 7 days. The peace officer shall send the person's driver's license to the commissioner of public safety along with the certificate required by subdivision 4.

If the person requests a hearing within the 30 day period, the commissioner shall issue additional temporary licenses until the final determination of whether there shall be a revocation under this section.

Subd. 5b. [ADMINISTRATIVE REVIEW.] At any time during a period of revocation imposed under this section a person may request in writing a review of the order of revocation by the commissioner of public safety. Upon receiving a request the commissioner or his designee shall review the order, the evidence upon which the order was based, and any other material information brought to the attention of the commissioner, and determine whether sufficient cause exists to sustain the order. Within 15 days of receiving the request the commissioner shall report in writing the results of his review. The review provided in this subdivision is not subject to the contested case provisions of the administrative procedure act in sections 15.041 to 15.052.

The availability of administrative review for an order of revocation shall have no effect upon the availability of judicial review under this section.

Subd. 5c. [PETITION FOR JUDICIAL REVIEW.] Within 30 days following receipt of a notice and order of revocation pursuant to this section, a person may petition the court for review. The petition shall be filed with the clerk of county or municipal court in the county where the alleged offense occurred, together with proof of service of a copy on the commissioner of public safety, and accompanied by the standard filing fee for civil actions. No responsive pleading shall be required of the commissioner of public safety, and no court fees shall be charged for his appearance in the matter.

The petition shall be captioned in the name of the person making the petition as petitioner and the commissioner of public safety as respondent. The petition shall state with specificity the grounds upon which the petitioner seeks rescission of the order of revocation or denial.

The filing of the petition shall not stay the revocation or denial. The reviewing court may order a stay of the balance of the revocation if the hearing has not been conducted within 60 days after filing of the petition upon terms the court deems proper. Judicial reviews shall be conducted according to the rules of civil procedure.

Subd. 5d. [IMMUNITY FROM LIABILITY.] (a) The state or political subdivision by which a peace officer making an arrest for violation of section 169.121 is employed shall have immunity from any liability, civil or criminal, for the care or custody of the motor vehicle being driven by, operated by, or in the physical control of the person arrested if the peace officer acts in good faith and exercises due care.

(b) For purposes of this subdivision, "political subdivision" means a county, statutory or home rule charter city, or town.

Subd. 6. [HEARING.] A hearing under this section shall be before a municipal or county judge, in the any county in the judicial district where the alleged offense occurred, unless there is agreement that the hearing may be held in some other county. The hearing shall be to the court and may be conducted at the same time and in the same manner as hearings upon pre-trial motions in the criminal prosecution under section 169.121, if any. The hearing shall be recorded. The commissioner of public safety may appear through his own attorney or, by agreement with the jurisdiction involved, through the prosecuting authority for that jurisdiction.

The hearing shall be held at the earliest practicable date, and in any event no later than 60 days following the filing of the petition for review. The judicial district administrator shall establish procedures to ensure efficient compliance with the provisions of this subdivision. To accomplish this, the administrator may, whenever possible, consolidate and transfer review hearings among the county courts within the judicial district.

The scope of the hearing shall ~~ever~~ be limited to the issues of:

(1) whether the peace officer had reasonable and probable grounds to believe the person was driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance, and whether the person was lawfully placed under arrest for violation of section 169.121, or the person was involved in a motor vehicle accident or collision resulting in property damage, personal injury or death, or the person refused to take a screening test provided for by section 169.121, subdivision 6, or the screening test was administered and recorded an alcohol concentration of 0.10 or more; and

(2) whether at the time of the request for the test the peace officer informed the person of his rights and the consequences of taking or refusing the test as required by subdivision 2; and

(3) either (a) whether the person refused to permit the test, or (b) whether a test was taken and the test results indicated an alcohol concentration of 0.10 or more at the time of testing, and whether the testing method used was valid and reliable, and whether the test results were accurately evaluated.

It shall be an affirmative defense for the person petitioner to prove that, at the time of the refusal, his refusal to permit the test was based upon reasonable

grounds.

Certified or otherwise authenticated copies of laboratory or medical personnel reports, records, documents, licenses and certificates shall be admissible as substantive evidence.

The court shall order either that the revocation be rescinded or sustained and forward the order to the commissioner of public safety. *The court shall file its order within 14 days following the hearing.* If the revocation is sustained, the court shall also forward the person's driver's license or permit to the commissioner of public safety for his further action if the license or permit is not already in the commissioner's possession.

Subd. 7. [REVIEW BY DISTRICT COURT.] *If the revocation or denial is sustained, the person whose license or permit to drive, or nonresident operating privilege has been revoked or denied, may within 20 days after notice of the determination by the commissioner of public safety file a petition for a hearing of the matter in the district court in the county where the hearing pursuant to subdivision 6 was held unless there is agreement that the hearing may be held in some other county. The petition shall be filed with the clerk of the court together with proof of service of a copy thereof on the commissioner of public safety. It is the duty of the court to set the matter for hearing on a day certain with reasonable notice thereof to the parties. The hearing shall be on the record and shall be conducted in the same manner provided in sections 487.39 and 484.63 for appeal of misdemeanor convictions. Any party aggrieved by the decision of the reviewing court may appeal the decision to the district court as provided in sections 484.63 and 487.39.*

Subd. 8. [NOTICE OF ACTION TO OTHER STATES.] When it has been finally determined that a nonresident's privilege to operate a motor vehicle in this state has been revoked or denied, the commissioner of public safety shall give information in writing of the action taken to the official in charge of traffic control or public safety of the state of the person's residence and of any state in which he has a license.

Subd. 9. [LIMITED LICENSE.] In any case in which a license has been revoked under this section, the commissioner may issue a limited license to the driver. The commissioner in issuing a limited license may impose the conditions and limitations which in his judgment are necessary to the interests of the public safety and welfare, including re-examination of the driver's qualifications, attendance at a driver improvement clinic, or attendance at counseling sessions. The license may be limited to the operation of particular vehicles and to particular classes and time of operation. The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under a limited license shall have the license in his possession at all times when operating as a driver. In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver.

Subd. 10. [TERMINATION OF REVOCATION PERIOD.] If the commissioner receives notice of the driver's attendance at a driver improvement clinic, attendance at counseling sessions, or participation in treatment for an alcohol problem the commissioner may, 30 days prior to the time the revocation period would otherwise expire, terminate the revocation period. The commissioner shall not terminate the revocation period under this subdivision

for a driver who has had a license revoked under section 169.121 or this section for another incident during the preceding three year period.

Sec. 6. Minnesota Statutes 1980, Section 171.19, is amended to read:

171.19 [PETITION FOR REINSTATEMENT OF LICENSES.]

Any person whose driver's license has been refused, revoked, suspended, or canceled by the commissioner, *except where the license is revoked under section 169.123*, may file a petition for a hearing in the matter in the district court in the county wherein such person shall reside and, in the case of a non-resident, in the district court in any county, and such court is hereby vested with jurisdiction, and it shall be its duty, to set the matter for hearing upon 15 days' written notice to the commissioner, and thereupon to take testimony and examine into the facts of the case to determine whether the petitioner is entitled to a license or is subject to revocation, suspension, cancelation, or refusal of license, under the provisions of this chapter, and shall render judgment accordingly. The petition shall be heard by the court without a jury and may be heard in or out of term. The commissioner may appear in person, or by his agents or representatives, and may present his evidence upon the hearing by affidavit by himself, his agents, or representatives. The petitioner may present his evidence by affidavit, except that the petitioner must be present in person at such hearing for the purpose of cross-examination. In the event the department shall be sustained in these proceedings, the petitioner shall have no further right to make further petition to any court for the purpose of obtaining a driver's license until after the expiration of one year after the date of such hearing.

Sec. 7. Minnesota Statutes 1980, Section 634.15, is amended to read:

634.15 [ADMISSION INTO EVIDENCE OF CERTAIN CERTIFICATES OF ANALYSIS AND BLOOD SAMPLE REPORTS.]

Subdivision 1. [CERTIFICATES OF ANALYSIS; BLOOD SAMPLE REPORTS.] In any hearing or trial of a criminal offense or petty misdemeanor or proceeding pursuant to section 169.123, subdivision 4 6, *the following reports shall be admissible in evidence:*

(a) A report of the facts and results of a laboratory analysis or examination ~~shall be admissible in evidence~~ if it is prepared and attested by the person performing the laboratory analysis or examination in any laboratory operated by the bureau of criminal apprehension or authorized by the bureau to conduct an analysis or examination, or in any laboratory of the federal bureau of investigation, the federal postal inspection service, the federal bureau of alcohol, tobacco and firearms, or the federal drug enforcement administration; and

(b) A report of a blood sample withdrawn under the implied consent law if:

(i) The report was prepared by the person who administered the test;

(ii) The person who withdrew the blood sample was competent to administer the test under section 169.123, subdivision 3; and

(iii) The report was prepared consistent with any applicable rules promulgated by the commissioner of public safety.

A report described in clause (a) purported to be signed by the person performing the analysis or examination in a laboratory named ~~above~~ in that

clause, or a blood sample report described in clause (b) purported to be signed by the person who withdrew the blood sample shall be admissible as evidence without proof of the seal, signature or official character of the person whose name is signed to it.

Subd. 2. [TESTIMONY AT TRIAL.] An accused person or his attorney may request, by notifying the prosecuting attorney at least ten days before the trial, that the ~~person who performed the laboratory analysis or examination following persons~~ testify in person at the trial on behalf of the state:

(a) A person who performed the laboratory analysis or examination for the report described in subdivision 1, clause (a); or

(b) A person who prepared the blood sample report described in subdivision 1, clause (b).

Sec. 8. [EFFECTIVE DATE.]

This act is effective July 1, 1982 and applies to violations occurring on or after that date."

Delete the title and insert:

"A bill for an act relating to highway traffic regulations; providing for arrest without a warrant; defining admissible evidence; providing for alcohol problem assessments; providing alternative testing procedures; providing for administrative driving privilege revocations for failure to submit to chemical testing or exceeding prescribed alcohol concentration; authorizing revocations prior to judicial review; revising the procedure for hearings and appeals on administrative revocations; authorizing introduction into evidence certain peace officer records and reports; amending Minnesota Statutes 1980, Sections 169.121, Subdivisions 1, 2, and 6, and by adding a subdivision; 169.123; 171.19; and 634.15."

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. 1669: A bill for an act relating to courts; proposing an amendment to the Minnesota Constitution, Article VI, Sections 1, 2, 5 and 6; providing for a court of appeals; providing for election of judges; conferring certain powers and duties on the court of appeals; amending Minnesota Statutes 1980, Sections 2.724, Subdivision 2; 8.01; 10A.01, Subdivisions 5 and 19; 15.0416; 15.0417; 15.0424, Subdivisions 1, 2, 3 and 6; 15.0426; 45.07; 45.17, Subdivision 5; 97.481, Subdivision 2; 122.23, Subdivision 16c; 145.698, Subdivision 2; 145.838, Subdivision 4; 150A.08, Subdivision 2; 197.481, Subdivision 6; 210A.01, Subdivision 3; 237.39; 244.11; 260.291, Subdivision 2; 270.23; 290.48, Subdivision 6; 299F.25; 357.08; 363.072, Subdivisions 1 and 2; 373.11; 430.031, Subdivision 4; 480.01; 480.054; 480.055, Subdivision 1; 480.061, Subdivision 8; 480.19; 484.63; 487.39, Subdivisions 1 and 2; 488A.01, Subdivision 14; 488A.17, Subdivision 12; 488A.18, Subdivision 14; 488A.34, Subdivision 11; 501.35; 525.71; 574.18; 586.11; Minnesota Statutes 1981 Supplement, Sections 5.08, Subdivision 2; and 648.39, Subdivision 1; proposing new law coded as Minnesota Statutes, Chapter 480A; repealing Minnesota Statutes 1980, Sections 80A.24, Subdivision 3; 363.10; 473.597; and 525.74.

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

Page 1, line 35, after "*appeals*," insert "*if established by the legislature*,"

Page 3, after line 7, insert:

"Subd. 5. If the amendment is adopted, Article VIII, Section 2, of the Minnesota Constitution will read:

Sec. 2. The governor, secretary of state, treasurer, auditor, attorney general and the judges of the supreme court, court of appeals and district courts may be impeached for corrupt conduct in office or for crimes and misdemeanors; but judgment shall not extend further than to removal from office and disqualification to hold and enjoy any office of honor, trust or profit in this state. The party convicted shall also be subject to indictment, trial, judgment and punishment according to law."

Page 3, line 19, delete "*Until*" and insert "*On*"

Page 3, line 19, delete "*1984*" and insert "*1983*"

Page 4, line 14, before "*One*" insert "*By January 1, 1984*,"

Page 5, delete lines 17 to 28 and insert:

"Subdivision 1. [ELECTION; TERM; REMOVAL.] The governor shall designate one of the judges of the court of appeals to be chief judge for a term of three years. Vacancies in the office of chief judge shall be filled for the remainder of the unexpired term.

The chief judge may be reappointed. If the chief judge ceases to be a judge of the court of appeals, the office of chief judge also becomes vacant."

Page 6, line 11, before the period, insert "*, except that it shall not have jurisdiction of criminal appeals in cases in which the defendant has been convicted of murder in the first degree*"

Page 6, line 16, delete "*tax court, pursuant*"

Page 6, line 17, delete "*to section 271.10, and the*"

Page 6, line 30, delete "*other than purely formal matters*"

Page 7, line 8, before "*In*" insert "*A decision shall be rendered in every case within 90 days after oral argument or after the final submission of briefs or memoranda by the parties, whichever is later.*"

Page 7, line 25, after "*certiorari*" insert "*to review decisions of the commissioner of economic security*"

Page 7, line 25, delete the colon and insert a period

Page 7, delete lines 26 to 36

Page 8, delete lines 1 to 6

Page 8, line 13, delete "*such*" and insert "*a*" and after "*place as*" insert "*designated by*"

Page 8, line 14, delete "*may designate*"

Page 9, line 19, after the period, insert "*The supreme court shall issue its*

decision whether to grant a petition for review within 60 days of the date the petition is filed."

Page 9, line 20, before "The" insert "(a)"

Page 9, after line 31, insert:

"(b) Upon its own motion or upon the certification of the court of appeals, the supreme court may provide for accelerated review of any case if (i) the question presented is an important one upon which the court has not, but should rule, (ii) the lower courts have held a statute to be unconstitutional, (iii) the lower courts have so far departed from the accepted and usual course of justice as to call for an exercise of the court's supervisory powers, or (iv) the court of appeals has a backlog of cases."

Pages 10 to 27, delete sections 14 to 45 and insert:

"Sec. 14. Minnesota Statutes 1981 Supplement, Section 204B.06, Subdivision 6, is amended to read:

Subd. 6. [JUDICIAL CANDIDATES; DESIGNATION OF TERM.] An individual who files as a candidate for the office of associate justice of the supreme court, judge of the *court of appeals* or district court, or judge of county or county municipal court shall state in the affidavit of candidacy the office of the particular justice or judge for which the individual is a candidate. The individual shall be a candidate only for the office identified in the affidavit. Each justice of the supreme court and each *court of appeals*, district, county or county municipal court judge is deemed to hold a separate nonpartisan office.

Sec. 15. Minnesota Statutes 1981 Supplement, Section 204B.34, Subdivision 3, is amended to read:

Subd. 3. [JUDICIAL ELECTIONS.] When one or more justices of the supreme court or judges of the *court of appeals* or of a district, county or county municipal court are to be nominated at the same primary or elected at the same general election, the notice of election shall state the name of each justice or judge whose successor is to be nominated or elected."

Pages 27 and 28, delete sections 47 to 50

Pages 31 to 36, delete sections 55 to 62 and insert:

"Sec. 21. [632.14] [APPEALS IN FIRST DEGREE MURDER CASES.]

A person who has been convicted of murder in the first degree may appeal directly from the district court to the supreme court. The appeal may include other charges against the same defendant which were tried in the same trial as the first degree murder charge. The rules of appellate procedure shall provide the form of the appeal.

Sec. 22. [INITIAL APPOINTMENT OF JUDGES.]

The judicial offices created in section 3, subdivision 2 shall be filled initially by appointment by the governor."

Page 36, line 17, delete "46" and insert "16"

Page 36, line 20, delete "such time as" and delete "or she"

Page 36, line 21, after the period, insert "If a justice who was serving on

August 1, 1983, is defeated for reelection by another person, that other person shall be deemed to have been in office as of August 1, 1983, for the purposes of this section."

Page 36, lines 25 and 28, delete "Minnesota Statutes,"

Page 36, line 29, delete "such" and insert "that"

Page 37, line 2, delete "Minnesota Statutes,"

Page 37, lines 4, 11 and 14, delete "or subsequent" and delete "editions" and insert "edition"

Page 37, line 18, after the comma, insert "or to reflect subsequent amendments,"

Page 37, delete lines 21 to 36 and insert:

<i>column A</i>	<i>column B</i>	<i>column C</i>
<i>Minnesota Statutes</i>	<i>Minnesota Statutes</i>	<i>Minnesota Statutes</i>
<i>1980</i>	<i>1980</i>	<i>1980</i>
<i>Section 3.751,</i>	<i>Section 32A.09,</i>	<i>Section 256.045,</i>
<i>Subdivision 4</i>	<i>Subdivision 5</i>	<i>Subdivision 10</i>
<i>Section 44.09,</i>		
<i>Subdivision 3</i>		
<i>Section 49.18</i>	<i>Section 209.09</i>	<i>Section 270.26</i>
<i>Section 56.23</i>	<i>Section 253A.15,</i>	
	<i>Subdivision 2</i>	
<i>Section 60A.05</i>	<i>Section 253A.21,</i>	
	<i>Subdivision 5</i>	
<i>Section 60A.15,</i>	<i>Section 268.06,</i>	
<i>Subdivisions</i>	<i>Subdivision 20</i>	
<i>11 and 12</i>		
<i>Section 72A.27</i>	<i>Section 268.10,</i>	<i>Section 297.08,</i>
	<i>Subdivision 8</i>	<i>Subdivision 3</i>
<i>Section 84.59</i>	<i>Section 270.22</i>	<i>Section 357.07</i>
<i>Section 97.50,</i>		<i>Section 412.092,</i>
<i>Subdivision 6</i>		<i>Subdivision 1</i>
<i>Section 106.631,</i>		<i>Section 480.062</i>
<i>Subdivisions</i>		
<i>5 and 6</i>		
<i>Section 110A.36</i>		<i>Section 590.01,</i>
		<i>Subdivision 1</i>
<i>Section 111.42</i>	<i>Section 273.16</i>	<i>Section 590.04</i>
		<i>Subdivision 3</i>
<i>Section 112.82,</i>		<i>Section 611.07,</i>
<i>Subdivisions</i>		<i>Subdivisions</i>
<i>1 and 2</i>		<i>2 and 3</i>
<i>Section 114.13,</i>	<i>Section 290.92,</i>	<i>Section 611.071,</i>
<i>Subdivision 14</i>	<i>Subdivision 6</i>	<i>Subdivisions</i>
		<i>1 and 2</i>
<i>Section 115.49,</i>	<i>Section 294.09,</i>	<i>Section 611.14</i>
<i>Subdivision 5</i>	<i>Subdivision 3</i>	
<i>Section 116A.19,</i>	<i>Section 298.09,</i>	<i>Section 611.18</i>
<i>Subdivision 4</i>	<i>Subdivision 3</i>	
<i>Section 116C.65</i>	<i>Section 299F.26,</i>	<i>Section 611.25</i>
	<i>Subdivision 3</i>	
<i>Section 123.32,</i>	<i>Section 430.03</i>	

<i>Subdivision 25</i>	
<i>Section 127.25,</i>	<i>Section 558.215</i>
<i>Subdivision 3</i>	
<i>Section 161.34,</i>	<i>Section 562.04</i>
<i>Subdivision 4</i>	
<i>Section 168.68</i>	<i>Section 580.29</i>
<i>Section 177.29,</i>	<i>Section 586.09</i>
<i>Subdivision 2</i>	
<i>Section 178.09,</i>	<i>Section 589.29</i>
<i>Subdivision 2</i>	
<i>Section 179.64</i>	<i>Section 589.30</i>
<i>Section 181A.10,</i>	<i>Section 590.06</i>
<i>Subdivision 2</i>	
<i>Section 185.15</i>	<i>Section 595.024,</i>
	<i>Subdivision 3</i>
<i>Section 209.10,</i>	<i>Section 595.025,</i>
<i>Subdivision 1</i>	<i>Subdivision 3</i>
<i>Section 246.55</i>	
<i>Section 256.045,</i>	
<i>Subdivision 9</i>	
<i>Section 259.32</i>	
<i>Section 279.21</i>	
<i>Section 297.08,</i>	
<i>Subdivision 4</i>	
<i>Section 297A.15,</i>	
<i>Subdivision 4</i>	
<i>Section 340.404,</i>	
<i>Subdivision 7</i>	
<i>Section 340.54,</i>	
<i>Subdivision 2</i>	
<i>Section 375.67,</i>	
<i>Subdivision 3</i>	
<i>Section 387.41</i>	
<i>Section 414.07,</i>	
<i>Subdivision 2</i>	
<i>Section 414.08</i>	
<i>Section 419.12</i>	
<i>Section 420.13</i>	
<i>Section 462.14,</i>	
<i>Subdivision 12</i>	
<i>Section 462.715</i>	
<i>Section 465.43</i>	
<i>Section 473.675,</i>	
<i>Subdivision 4</i>	
<i>Section 571.64</i>	
<i>Section 582.11"</i>	

Page 38, delete lines 1 to 36

Page 39, delete lines 1 to 35

Page 40, delete section 67 and insert:

"Sec. 27. [EFFECTIVE DATE; TRANSITION.]

Sections 3 to 25 shall become effective only upon ratification of the amendment proposed in section 1 of this act as provided in the Minnesota Constitution. If the constitutional amendment proposed by section 1 is adopted by the

people,

(a) sections 3 to 7 of this act are effective July 1, 1983, and

(b) sections 8 to 26 are effective August 1, 1983. The court of appeals shall have jurisdiction over cases in which the notice of appeal, petition for review, or writ, is filed on or after August 1, 1983. In all cases in which the notice, petition or writ was filed on or before July 31, 1983, the court to which such appeal, petition, or writ was taken shall continue to exercise jurisdiction, notwithstanding any change introduced by this act. In any such case in which a district or county court retains jurisdiction and appeal is taken against its decision on or after August 1, 1983, appeal shall be taken to the court of appeals as provided herein.

Sec. 28. [BALLOT QUESTION.]

Notwithstanding any law or rule to the contrary, the ballot question in section 2 shall immediately precede any other questions placed on the ballot and submitted to the people at the 1982 general election. This section is effective the day following final enactment.

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4; after "6;" insert "and Article VIII, Section 2;"

Page 1, line 7, delete everything after "Sections"

Page 1, delete lines 8 to 17 and insert "480.01;"

Page 1, line 19, delete everything after "14;"

Page 1, delete line 20

Page 1, line 21, delete everything before "Minnesota" and insert "and"

Page 1, line 22, delete everything after "Sections" and insert "204B.06, Subdivision 6; 204B.34,"

Page 1, line 23, delete "1" and insert "3"

Page 1, line 24, delete "Chapter" and insert "Chapters" and after "480A" insert "and 632"

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1234: A bill for an act relating to public employment labor relations; clarifying the definition of "employer"; amending Minnesota Statutes 1980, Section 179.63, Subdivision 4.

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

Page 1, line 15, delete "and"

Page 1, line 15, after "487.10," insert "or other law,"

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

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

H.F. No. 1699: A bill for an act relating to education; requiring all public elementary and secondary schools to provide instructional programs in chemical abuse; amending Minnesota Statutes 1980, Section 126.03; and proposing new law coded in Chapter 126.

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

Page 1, line 18, delete "*To the extent possible,*"

Page 1, line 19, delete "*encourage the participation of*" and insert "*involve*"

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

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

S.F. No. 1632: A bill for an act relating to education; providing for enrollment in a school district other than the district of residence in cases of particular hardship; amending Minnesota Statutes 1980, Section 120.0751, Subdivision 3, and by adding a subdivision.

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

Page 1, line 14, reinstate the stricken language and delete "*or*"

Page 1, line 22, delete "*The*"

Page 1, delete lines 23 to 25

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

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

H.F. No. 1603: A bill for an act relating to education; requiring the board of teaching and the state board of education to accept completion of certain training programs in lieu of the human relations components required for licensure; amending Minnesota Statutes 1980, Section 125.05, by adding a subdivision.

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

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

H.F. No. 1092: A bill for an act relating to charitable organizations; providing for registration and reporting requirements applicable to certain charitable organizations; amending Minnesota Statutes 1980, Sections 309.52, by adding subdivisions; 309.53, by adding subdivisions; 309.532, by adding a subdivision; and 309.534, by adding a subdivision.

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

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

S.F. No. 1531: A bill for an act relating to labor; providing for occupational safety and health; defining "toxic substance"; requiring certain information; creating a right to refuse work with a toxic substance under certain conditions; amending Minnesota Statutes 1980, Sections 182.651, by adding a subdivision; 182.654, by adding a subdivision; and 182.655, Subdivision 10.

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

Page 1, line 20, after "right" insert "*without loss of pay or other benefits of employment.*"

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

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

S.F. No. 2044: A bill for an act relating to public welfare; modifying certain provisions relating to medical assistance; providing for a case management system and competitive bidding procedures; allowing a cause of action against responsible relatives; providing for payments to health maintenance organizations; allowing certain claims against the homesteads of recipients; altering eligibility standards related to income and liquid assets; amending Minnesota Statutes 1980, Sections 256B.01; 256B.04, by adding a subdivision; 256B.05, Subdivision 2; 256B.06, Subdivision 3; 256B.14; 256B.19, Subdivision 1; 256B.27, Subdivision 3; 510.05; 524.3-805; 525.16; Minnesota Statutes 1981 Supplement, Sections 256.966; 256B.06, Subdivision 1, as amended; 256B.15; and 525.145.

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

Page 1 and 2, delete section 1

Page 3, line 12, after "spouse" insert "*of a medical assistance recipient*" and after "a" insert "*minor*" and delete "*, if the*"

Page 3, line 13, delete everything before the period

Page 3, lines 21 and 24, delete "*such*" and insert "*the*"

Page 3, line 24, delete "*there*"

Page 3, line 25, delete "*shall exist*" and after "*action*" insert "*exists*"

Page 3, line 28, after "*determined*" insert "*to be*"

Page 3, line 31, delete the second "*of*" and insert "*incurred due to*"

Page 4, line 22, delete "*the*" and insert "*this*"

Page 4, line 24, delete "*responsibility*" and insert "*responsibility*"

Page 4, after line 24, insert:

"State contracts with health maintenance organizations shall assure medical assistance recipients of at least the comprehensive health maintenance services defined in section 62D.02, subdivision 7. The contracts shall require health maintenance organizations to provide information to the commissioner concerning the number of people receiving services, the number of encounters, the type of services received, evidence of an operational quality assurance program pursuant to section 62D.04 and information about utilization. Persons who become eligible for medical assistance after July 1, 1982 and who choose to receive services from a health maintenance organization under contract to the state pursuant to this section shall be guaranteed six months medical assistance eligibility."

Page 5, line 6, delete "*determined*" and insert "*defined*"

Pages 5 to 7, delete sections 8 to 10

Pages 11 and 12, delete sections 13 and 14

Page 12, after line 26, insert:

“Sec. 9. [APPROPRIATION; REPORT.]

The sum of \$25,000 is appropriated from the general fund to the commissioner of public welfare for the biennium ending June 30, 1983 to implement and coordinate the state, county, and health maintenance organization administrative arrangements required in section 6 and to prepare a report to the legislature by January 15, 1984 on the cost effectiveness of the program.”

Page 12, line 28, delete “2, 6 to 10, 13 and 14” and insert “1, 3, 5 and 6”

Page 12, line 29, delete “3, 5, 11 and 12” and insert “2, 4, and 7 to 9”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete “allowing certain”

Page 1, delete lines 8 and 9

Page 1, line 10, delete “assets” and insert “appropriating money”

Page 1, line 11, delete “256B.01;”

Page 1, line 13, delete “510.05;”

Page 1, line 14, delete “525.3-805; 525.16;”

Page 1, line 15, after “256.966;” insert “and”

Page 1, line 15, after “amended” delete the semicolon

Page 1, line 16, delete everything before the period

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. 1418: A bill for an act relating to natural resources; authorizing an addition to Split Rock Creek Recreation Area and authorizing land acquisition in relation thereto.

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

Delete everything after the enacting clause and insert:

“Section 1. [NATURAL RESOURCES; ADDITIONS TO SPLIT ROCK CREEK RECREATION AREA.]

Subdivision 1. [TERMS.] The commissioner of natural resources is authorized to acquire by gift, purchase, or, if authorized by law, by condemnation proceedings the lands which are added as described in subdivision 2. Any land which now is or hereafter becomes tax-forfeited land and is located within the described area boundaries is withdrawn from sale and is transferred from the custody, control, and supervision of the county board of the county to the commissioner of natural resources, free from any trust in favor of the interested taxing districts. The commissioner shall execute a certificate of acceptance of the lands on behalf of the state for such purposes and transmit the same to the county auditor of the county for record as provided by law in the case of tax-forfeited land transferred to the commissioner by resolution of the county board for conservation purposes. Any lands within the herein described

boundaries which may be owned by the United States and managed by any of its agents may be acquired by land exchange, direct transfer, or purchase as federal laws may prescribe. The lands acquired pursuant to this section shall be administered in the same manner as provided for other recreation areas and shall be perpetually dedicated for such use.

Subd. 2. [85.013] [Subd. 26.] [SPLIT ROCK CREEK RECREATION AREA.] The following areas are added to Split Rock Creek Recreation Area: That portion of the Northwest Quarter of Section 22; Township 105 North, Range 46 West, lying outside the existing statutory boundary.

That part of the Northwest Quarter of Section 15, Township 105 North, Range 46 West, being a strip of land 100 feet in width lying northeasterly of, parallel with, adjacent and contiguous to the following described line: Commencing at a point on the east - west quarter line of said Section 15 distance 2120 feet east of the west line of said Section 15; thence north parallel to said west line 1097.25 feet; thence west parallel to the north line of said Section 15, a distance of 267 feet to the point of beginning of the line to be described; thence northwesterly, a distance of 877.55 feet and there terminating, along a line which runs to a point which is 92 feet south and 33 feet east of the northwest corner of said Section 15.

That part of the Northeast Quarter of the Southwest Quarter of Section 15, Township 105 North, Range 46 West, described as follows: Beginning at a point on the south line of said Northeast Quarter of the Southwest Quarter 520 feet west of the southeast corner thereof; thence northerly to a point on the north line of said Northeast Quarter of the Southwest Quarter 2120 feet east of the west line of said Section 15; thence westerly along the north line of said Northeast Quarter of the Southwest Quarter to the northwest corner thereof; thence southeasterly to the point of beginning."

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. 1556: A bill for an act relating to public safety; prohibiting the sale, use, manufacture and possession of high penetration bullets; prohibiting the sale and possession of armor-piercing bullets; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 624.

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

Delete everything after the enacting clause and insert:

"Section 1. [624.74] [METAL-PENETRATING BULLETS PROHIBITED.]

Subdivision 1. [INTENT.] This section is designed to give law enforcement officers a reasonable degree of protection from penetration of quality body armor. It is not the intent of this section to restrict the availability of ammunition for personal defense, recreational, sporting, or hunting purposes.

Subd. 2. [DEFINITION.] For the purposes of this section, "metal-penetrating bullet" means a bullet of caliber 9 mm, .25, .32, .357, .38, .41, or .44, which (1) can be loaded in a handgun that is auto-loading or has a revolving cylinder, (2) is comprised of any hard metal or hard metal alloy, or soft metal jacket with a hardened core comprised of any hard metal or hard metal alloy, which purposely reduces the normal expansion or mushrooming of the bullet's shape upon impact, and (3) penetrates a vest consisting of 18 layers

of kevlar of type 29, 1000 denier, with a 31 by 31 linear thread count or equivalent, when fired from a handgun with a barrel length of not more than 5-1/2 inches in a test conducted by the bureau of criminal apprehension in accordance with the test procedures promulgated by the United States Department of Justice for determining the NILECJ standard for the ballistic resistance of police body armor as specified in NILECJ-STD-0101.01 (December 1978). "Metal-penetrating bullet" excludes any bullet composed of copper or brass jackets with lead or lead alloy cores and any bullet composed of lead or lead alloys.

Subd. 3. [SALE PROHIBITED.] It is unlawful for any person to sell any metal-penetrating bullet of the arcane, KTW, or Winchester/Western AP brand name or manufacture. A violation of this subdivision is a gross misdemeanor.

Subd. 4. [USE OR POSSESSION IN COMMISSION OF A CRIME.] Any person who uses or possesses a metal-penetrating bullet during the commission of another felony is guilty of a separate felony and may be sentenced to imprisonment for not more than three years or to payment of a fine of not more than \$3000, or both. Any sentence imposed under this subdivision shall not be served concurrently with the sentence for the other felony.

Subd. 5. [EXCEPTIONS.] The provisions of subdivision 3 do not apply to sales by any munitions manufacturer or its employees to agencies of the federal government or law enforcement agencies."

Delete the title and insert:

"A bill for an act relating to public safety; prohibiting the sale of certain metal-penetrating bullets; prohibiting the possession or use of metal-penetrating bullets during the commission of a crime; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 624."

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

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

S.F. No. 1941: A bill for an act relating to municipal housing; authorizing the planning, implementation, and financing of rehabilitation and energy improvement loans; amending Minnesota Statutes 1980, Sections 462C.01; 462C.02, Subdivisions 3, 4 and 5, and by adding subdivisions; 462C.03, as amended; 462C.04, Subdivision 2; 462C.05, Subdivisions 2 and 5; 462C.07, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 462C.05, Subdivisions 1 and 3; and 462C.09; repealing Minnesota Statutes 1981 Supplement, Section 462C.07, Subdivision 2.

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

Page 3, line 24, delete "Substantial rehabilitation" means"

Page 3, delete lines 25 to 27

Page 3, after line 32, insert:

"(b) a development district established pursuant to Laws 1971, Chapter

677, as amended by Laws 1974, Chapter 677, Section 2,"

Reletter the clauses in sequence

Page 7, line 19, after "sale" insert "or rent"

Page 7, lines 28 to 32, delete the new language

Page 11, line 3, delete "are"

Page 11, line 10, delete everything after the period

Page 11, delete lines 11 to 14

Pages 12 and 13, delete section 14 and insert:

"Sec. 14. Minnesota Statutes 1981 Supplement, Section 462C.09, is amended to read:

462C.09 [ALLOCATION OF QUALIFIED MORTGAGE BONDS.]

Subdivision 1. [HOUSING FINANCE AGENCY ALLOCATION.] The applicable limit for the Minnesota housing finance agency, pursuant to section 103A (g) of the Internal Revenue Code of 1954 as amended through December 31, 1980, for any calendar year commencing with calendar year 1981, shall be 100 percent of the state ceiling for that year, reduced only by (i) any amounts of bonds which have been or may be allocated by law to specified cities and (ii) any amounts of bonds which are allocated to cities pursuant to subdivisions 2 and 3. The aggregate amount allocated to cities, under (i) or (ii), together with the amount of bonds reserved for the agency, shall not exceed the limit for the state under section 103A(g) of the Internal Revenue Code of 1954, as amended through March 1, 1982.

By July 1 August 1 of each year, any city which has received by law an allocation of the state ceiling shall certify to the agency the amount of bonds subject to the state ceiling which the city intends to issue during the calendar year submit its housing programs to the Minnesota housing finance agency for approval pursuant to section 462C.04, subdivision 2, in an amount of bonds equal to or less than, the city's allocation. If the amount certified of bonds, for which program approval is granted on or before September 1 is less than the amount allocated by law to the city, the applicable limit for the agency shall be increased by the difference between the amount allocated by law to the city, and the amount certified by the city, to the agency for which program approval has been granted.

Subd. 2. [CITY ALLOCATION.] Unless otherwise authorized by law, any city which intends to issue mortgage revenue bonds during any calendar year which are subject to the volume limitation imposed by section 103A(g) of the Internal Revenue Code of 1954, as amended through March 1, 1982, shall by January 2 of that year submit a program or programs to the Minnesota housing finance agency that will use a portion of the state mortgage revenue bond ceiling, provided that for calendar year 1982 programs shall be submitted by May 30, 1982. The total amount of bonds included in all programs of any city shall not exceed \$10,000,000. Each program shall be accompanied by a certificate from the city that states that the revenue bond issue is feasible and that identifies the amount and sources of non-bond proceeds, if any, which will be contributed to the program to be financed by the bond issue, provided that no contribution of non-bond proceeds shall be required. By February 1, the

Minnesota housing finance agency shall review each program pursuant to section 462C.04, subdivision 2, provided that for calendar year 1982, programs shall be approved by June 30, 1982. The Minnesota housing finance agency shall approve all programs that the agency determines are consistent with this chapter, provided that if the approval of all programs would result in an allocation to cities in excess of 27-1/2 percent of the state ceiling for the calendar year, reduced by any amount of bonds that are allocated by law to specified cities, the Minnesota housing finance agency shall only approve those programs based upon the following factors and based solely upon the program with accompanying information submitted to the agency. The Minnesota housing finance agency shall determine the following factors for each program:

(1) The proportion of the proposed issue which is reserved for a period of not less than six months for persons and families with incomes below 80 percent of the limits on adjusted gross income provided in section 462C.03, subdivision 2;

(2) The proportion of the proposed issue which is reserved for a period of not less than six months for persons and families with incomes below 90 percent of the limits on adjusted gross income provided in section 462C.03, subdivision 2; and

(3) The amount of non-bond proceeds, if any, as a percentage of the proposed issue, which are to be contributed to the program.

Programs shall be ranked based upon the percentage determined for factor (1) with the program having the highest percentage receiving the highest ranking. If two or more programs have the same percentage, then they shall be ranked based upon the percentages determined for factor (2) with the program receiving the highest percentage receiving the highest ranking. If two or more programs have the same percentage for factors (1) and (2), then they shall be ranked based upon the percentages determined for factor (3) with the program having the highest percentage receiving the highest ranking. If two or more programs have the same percentage for factors (1), (2), and (3), then their ranking shall be determined by lot. The Minnesota housing finance agency shall then approve programs based upon the ranking until an amount equal to 27-1/2 percent of the state ceiling for the calendar year, reduced by any amount of bonds which are allocated by law to specified cities, is allocated pursuant to this subdivision. Approval of a program shall constitute an allocation of a portion of the state ceiling for mortgage revenue bonds equal to the proposed bond issue or issues contained in the program, provided that the allocation for the lowest ranked program that receives an allocation may be equal to or less than the amount of the bond issue or issues proposed in the program.

If a city which received an allocation pursuant to this subdivision, or which has been allocated a portion of the state ceiling by law and has received approval of one or more programs, has not issued bonds by September 1 in an amount equal to the allocation, and the city intends to issue mortgage revenue bonds prior to the end of the calendar year, the city shall by September 1 submit to the Minnesota housing finance agency for each program a letter that states the city's intent to issue the mortgage revenue bonds prior to the end of the calendar year. If the Minnesota housing finance agency does not receive

the letter from the city, then the allocation of the state ceiling for that program shall expire on September 1, and the applicable limit for the Minnesota housing finance agency shall be increased by an amount equal to the unused portion of the allocation to the city. A city referred to in subdivision 1, clause (i), of this section shall not be required to apply under this subdivision with respect to bonds allocated by law to any such city. Nothing in this subdivision shall prevent any such city from applying for an additional allocation of bonds under this subdivision.

Subd. 3. [ADDITIONAL CITY ALLOCATION.] On or before September 1 of each year, the Minnesota housing finance agency shall identify the amount, if any, of its applicable limit for housing mortgage bonds for that calendar year that it does not intend to issue. Any city that intends to issue mortgage revenue bonds prior to the end of the calendar year for which it has not received an allocation of the state ceiling may submit a program for approval on or before September 1 to the Minnesota housing finance agency for a portion of the amount of the Minnesota housing finance agency's applicable limit as provided in subdivision 1 which the agency does not intend to issue. The total amount of bonds included in all programs of any city submitted pursuant to this subdivision shall not exceed \$10,000,000. The program shall be accompanied by the same certificate required by subdivision 2. The Minnesota housing finance agency shall allocate the amount of the state ceiling to be allocated pursuant to this subdivision using the same factors listed in subdivision 2, provided that a program for any city receiving an allocation pursuant to subdivision 2 during the calendar year shall be ranked below all other programs if the bonds proposed in the program, when added to the bonds included in programs approved pursuant to subdivision 2, exceed \$10,000,000. A city that submitted a program pursuant to subdivision 2 but that did not receive an allocation may renew its application with a letter of intent to issue. Nothing in this subdivision shall prevent any city referred to in subdivision 1, clause (i), from applying for an additional allocation of bonds under this subdivision.

Subd. 4. [AGENCY REVIEW.] The 30 day review requirement in section 462C.04, subdivision 2, shall not apply to programs submitted to the agency that require an allocation of the state ceiling pursuant to this section. A failure by the agency to complete any action by the dates set forth in this section shall not result in the approval of any program or the allocation of any portion of the applicable limit of the agency. Approval by the agency of programs after the dates provided in this section shall be effective in allocating a portion of the state ceiling. Programs approved by the agency may be amended with the approval of the agency under section 462C.04, subdivision 2, provided that the dollar amount of bonds for the program may not be increased."

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

Mr. Willet from the Committee on Finance, to which was re-referred

S.F. No. 2053: A bill for an act relating to education; authorizing the state university board to lease land on Mankato state university campus; permitting Mankato state university to lease a building; transferring title for a building to the state; proposing new law coded in Minnesota Statutes, Chapter 136.

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

Mr. Willet from the Committee on Finance, to which was re-referred

S.F. No. 2054: A bill for an act relating to the department of economic security; regulating community action programs and agencies; amending Minnesota Statutes 1981 Supplement, Sections 268.52, Subdivisions 1, 2, and 4; 268.53, Subdivisions 1, 2, and by adding subdivisions; 268.54, Subdivision 2.

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

Mr. Willet from the Committee on Finance, to which was re-referred

S.F. No. 1714: A bill for an act relating to the environment; limiting and reducing emissions of sulphur dioxide in the state; requiring adoption of an acid deposition control standard and plan by the pollution control agency; requiring reports; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 116.

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

Page 1, line 18, after "forest," insert "fish,"

Page 3, after line 14, insert:

"Sec. 5. Minnesota Statutes 1981 Supplement, Section 116C.69, Subdivision 3, is amended to read:

Subd. 3. [FUNDING; ASSESSMENT.] The board shall finance its base line studies, general environmental studies, development of criteria, inventory preparation, monitoring of conditions placed on site certificates and construction permits, and all other work, other than specific site and route designation, from an assessment made quarterly, at least 30 days before the start of each quarter, by the board against all utilities. *The assessment shall also include an amount sufficient to cover 60 percent of the costs to the pollution control agency of developing the acid deposition control plan required by sections 1 to 4; this amount shall be certified to the board by the executive director of the pollution control agency.* Each share shall be determined as follows: (1) the ratio that the annual retail kilowatt-hour sales in the state of each utility bears to the annual total retail kilowatt-hour sales in the state of all such utilities, multiplied by 0.667, plus (2) the ratio that the annual gross revenue from retail kilowatt-hour sales in the state of each utility bears to the annual total gross revenues from retail kilowatt-hour sales in the state of all such utilities, multiplied by 0.333, as determined by the board. The assessment shall be credited to the general fund and shall be paid to the state treasury within 30 days after receipt of the bill, which shall constitute notice of said assessment and demand of payment thereof. The total amount which may be assessed to the several utilities under authority of this subdivision shall not exceed the *sum of the annual budget of the board for carrying out the purposes of this subdivision plus 60 percent of the annual budget of the pollution control agency for developing the plan required by sections 1 to 4.* The assessment for the second quarter of each fiscal year shall be adjusted to compensate for the amount by which actual expenditures by the board *and the pollution control agency* for the preceding fiscal year were more or less than the estimated expenditures previously assessed."

Page 3, line 17, before the period, insert *“; for fiscal year 1983, the assessment pursuant to section 5 shall not exceed this amount”*

Page 3, delete line 19, and insert:

“Section 5 is effective June 1, 1982. Sections 1 to 4 are effective July 1, 1982.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the first semicolon, insert *“imposing an assessment on utilities;”*

Page 1, line 6, after the second semicolon, insert *“amending Minnesota Statutes 1981 Supplement, Section 116C.69, Subdivision 3;”*

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. 2123: A bill for an act relating to the city of Duluth; authorizing the sale of bonds to finance the purchase of certain equipment without an election; providing for a reverse referendum.

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

Page 1, line 9, after *“the”* insert *“annual”*

Page 1, line 11, after *“\$2,000,000”* insert *“annually”*

Page 2, line 3, delete *“8 percent of the registered voters of the city”* and insert *“ten percent of those voting in the last general election”*

Page 2, line 11, after *“Duluth”* insert *“but no bonds shall be issued pursuant to this act after April 1, 1985”*

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. 1228: 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; proposing new law coded in Minnesota Statutes, Chapter 459.

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

Mr. Willet from the Committee on Finance, to which was re-referred

S.F. No. 1596: A bill for an act relating to drivers licenses; requiring the suspension of licenses of certain uninsured persons; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 171.

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

follows:

Page 4, lines 11 and 12, delete "*for fiscal year 1983*"

Page 4, line 12, before the period, insert "*, to be available until June 30, 1983*"

Page 4, after line 12, insert:

"Sec. 6. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

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

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

S.F. No. 1794: A bill for an act relating to health; providing for evaluation of certain changes in certificate of need review; requiring monitoring; amending the thresholds of review; providing for additional waivers; requiring reports; amending Minnesota Statutes 1980, Sections 145.833, Subdivision 5; and 145.835, Subdivisions 3 and 4; repealing Minnesota Statutes 1980, Sections 145.832 to 145.845, as amended; and Minnesota Statutes 1981 Supplement, Section 62D.22, Subdivision 6.

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

Page 2, line 7, strike everything after "acquisition"

Page 2, line 8, strike everything before "by"

Page 2, line 11, after "expenditure" insert "*, under generally accepted accounting principles,*" and delete "\$600,000" and strike "*, and which,*"

Page 2, strike line 12

Page 2, line 13, strike everything before the semicolon, and insert "\$600,000"

Page 3, line 7, before the period, insert "*; and*

(e) The purchase, lease or other acquisition of diagnostic or therapeutic equipment by, or on behalf of, a health care facility which requires, or would require if purchased, a total capital expenditure in excess of \$400,000 for any one item of equipment"

Page 4, line 7, after the stricken "and" insert "*; or*

(b)" and reinstate the stricken "the expenditure is required solely to meet"

Page 4, line 8, reinstate the stricken language

Page 4, line 9, strike "(b)" and insert "(c)"

Page 4, line 14, delete "(c)" and insert "(d)" and delete everything after "The"

Page 4, line 15, delete "ambulatory care program" and insert "construction or modification"

Page 4, line 16, before the period, insert "*; or*

(e) The construction or modification is for an experimental or demonstration project"

Page 4, after line 22, insert:

"Proposed criteria for waivers in clauses (d) and (e) of this subdivision shall be published in the state register by June 1, 1982, and the public shall be given an opportunity to review and comment on the proposed criteria prior to implementation. The criteria are not subject to the requirements of sections 15.0412 to 15.0417. The criteria shall be published in the state register and implemented by August 15, 1982."

Page 4, line 35, delete "DATA DEFINED" and insert "DEVELOPMENT OF PERFORMANCE INDICATORS" and delete "Prior to any repeal or"

Page 4, line 36, delete everything before the second "the"

Page 5, line 2, after "development" insert ", the commissioner of public welfare,"

Page 5, line 3, delete "the market" and insert "industry economic" and delete "and financial variables"

Page 5, line 4, delete "these" and insert "the" and before "on" insert "in the certificate of need act" and after "on" insert "the"

Page 5, line 5, delete everything before "health" and insert "of" and delete "system"

Page 5, delete lines 6 and 7

Page 5, line 8, before "REVIEW" insert "PUBLIC"

Page 5, line 9, delete the second "the"

Page 5, line 10, delete "market" and insert "proposed industry economic" and delete everything after "indicators" and insert "to"

Page 5, line 11, delete everything after "of"

Page 5, line 12, delete "of need act" and insert "sections 2 to 4" and delete "and the criteria for"

Page 5, delete line 13

Page 5, line 14, delete everything before the period and delete everything after "indicators"

Page 5, line 15, delete "the administrative"

Page 5, line 16, delete "procedures act" and insert "sections 15.0412 to 15.0417"

Page 5, line 17, delete "to the commissioner" and insert "on the indicators" and after the second "to" insert "their"

Page 5, after line 17, insert "Final industry economic performance indicators shall be published in the state register and implemented by October 15, 1982."

Page 5, line 18, before "REPORT" insert "MONITOR;" and delete "prepare a report"

Page 5, line 19, delete everything before "*concerning*" and insert "*monitor the economic performance of the industry and shall provide the legislature with a report*"

Page 5, line 20, delete "*fiscal*" and insert "*financial*" and delete "*created by*"

Page 5, line 21, delete everything before "*the*" and insert "*on*"

Page 5, line 22, after "*system*" insert "*caused by sections 2 to 4*"

Page 5, after line 22, insert:

"Subd. 4. [FACILITY REPORTS.] All health care facilities which commence construction or modification projects not now reviewable pursuant to sections 2 to 4, but which would have been reviewed prior to implementation of this section, shall submit to the commissioner of health at the time of project commencement the following information:

(a) an estimate of capital expenditures associated with the construction or modification; and

(b) an estimate of expenses and revenues projected to be associated with the construction or modification for a period of five years after initial operation of the project involved.

Sec. 6. [PRICE REPORTING.]

The commissioner of health shall encourage hospitals and professionals regulated by the health related licensing boards as defined in section 214.01, subdivision 2, or by the commissioner of health pursuant to section 214.13, to continue voluntary efforts to publish prices for procedures and services that are representative of the diagnoses and conditions for which citizens of this state seek treatment. The commissioner shall report to the appropriate committees of the house of representatives and senate on the progress of these voluntary efforts on January 3, 1984. If no progress has been made as of that date, the commissioner shall recommend legislation for voluntary or mandatory collection of this information, and shall include estimates of the cost for the department of health to collect, analyze and publish this information, as well as estimates of the cost to hospitals, regulated providers, and their patients to provide data to the department for this purpose.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 250.05, Subdivision 4, is amended to read:

Subd. 4. The Gillette hospital board, acting through its board of directors, may contract with the governing body and the owners of the Ramsey county hospital and of any other hospital or institution, for the joint maintenance and operation of the Gillette children's hospital in conjunction with existing or contemplated facilities at the Ramsey county hospital. Contracts may include agreements for the joint employment and utilization of personnel, the joint purchase of supplies and equipment, and joint construction, acquisition, or leasing of space for offices, outpatient facilities, operating rooms, and other medical facilities for use in training in the care and treatment of crippled and handicapped children, the operation of a brace shop, and the conduct of patient education programs. No contract shall however, provide for the expenditure of funds for additional patient bed capacity. ~~The Gillette hospital board shall be~~

~~subject to the certificate of need act provided in sections 145.832 to 145.845. In any case wherein a certificate of need is required, the Gillette hospital board shall, at the time of application, notify the house committee on appropriations and the senate finance committee, whose opinion shall be advisory only.~~

Sec. 8. Minnesota Statutes 1981 Supplement, Section 447.45, Subdivision 1, is amended to read:

Subdivision 1. Any county, city, or hospital district, except cities of the first class and counties in which are located any cities of the first class, is authorized, in addition to and not in substitution for any other power granted to it by law, to issue revenue bonds by resolution or resolutions of its governing body to finance the acquisition and betterment of hospital, nursing home and related medical facilities, or any of them, including but without limitation the payment of interest during construction and for a reasonable period thereafter and the establishment of reserves for bond payment and for working capital, and, in connection with the acquisition of any existing hospital or nursing home facilities, to retire outstanding indebtedness incurred to finance the construction of the existing facilities. ~~The authority granted by this section shall not apply to any facility to which sections 145.832 to 145.845 apply, unless a certificate of need has been issued.~~

Sec. 9. Minnesota Statutes 1981 Supplement, Section 474.03, is amended to read:

474.03 [POWERS.]

Any municipality or redevelopment agency, in addition to the powers prescribed elsewhere by the laws of this state, shall have the power to:

(1) Acquire, construct, and hold any lands, buildings, easements, water and air rights, improvements to lands and buildings, and capital equipment to be located permanently or used exclusively on a designated site and solid waste disposal and pollution control equipment, and alternative energy equipment and inventory, regardless of where located, which are deemed necessary in connection with a project to be situated within the state, whether wholly or partially within or without the municipality or redevelopment agency, and construct, reconstruct, improve, better, and extend such project;

(2) Issue revenue bonds, in anticipation of the collection of revenues of such project, to finance, in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension thereof and, in the case of an alternative energy project, in addition to the other powers granted by this chapter, to finance the acquisition and leasing or sale of equipment and products to others;

(3) Issue revenue bonds to pay, purchase or discharge all or any part of the outstanding indebtedness of a contracting party engaged primarily in the operation of one or more nonprofit hospitals or nursing homes, theretofore incurred in the acquisition or betterment of its existing hospital or nursing home facilities, including, to the extent deemed necessary by the governing body of the municipality or redevelopment agency, any unpaid interest on such indebtedness accrued or to accrue to the date on which such indebtedness is finally paid; and any premium the governing body of the municipality or redevelopment agency determines to be necessary to be paid to pay, purchase or defease such outstanding indebtedness; if revenue bonds are issued for this

purpose, the refinancing and the existing properties of the contracting party shall be deemed to constitute a project under section 474.02, subdivision 1c. Industrial revenue bonds shall only be available under this provision if the commissioner of securities and real estate has been shown that a reduction in debt service charges to patients and third party payors will occur. All reductions in debt service charges pursuant to this program shall be passed on to patients and third party payors. These industrial revenue bonds may not be used for any purpose not consistent with the provisions of ~~sections 145.832 to 145.845 or~~ chapter 256B;

Nothing in this subdivision is intended to prohibit the use of revenue bond proceeds to pay outstanding indebtedness of a contracting party to the extent now permitted by law;

(4) Enter into a revenue agreement with any person, firm, or public or private corporation or federal or state governmental subdivision or agency in such manner that payments required thereby to be made by the contracting party shall be fixed, and revised from time to time as necessary; so as to produce income and revenue sufficient to provide for the prompt payment of principal of and interest on all bonds issued hereunder when due, and the revenue agreement shall also provide that the contracting party shall be required to pay all expenses of the operation and maintenance of the project including, but without limitation, adequate insurance thereon and insurance against all liability for injury to persons or property arising from the operation thereof, and all taxes and special assessments levied upon or with respect to the project and payable during the term of the revenue agreement, during which term a tax shall be imposed and collected pursuant to the provisions of section 272.01, subdivision 2, for the privilege of using and possessing the project, in the same amount and to the same extent as though the contracting party were the owner of all real and personal property comprising the project;

(5) Pledge and assign to the holders of such bonds or a trustee therefor all or any part of the revenues of one or more projects and define and segregate such revenues or provide for the payment thereof to a trustee, whether or not such trustee is in possession of the project under a mortgage or otherwise;

(6) Mortgage or otherwise encumber such projects in favor of the municipality or redevelopment agency, the holders of such bonds, or a trustee therefor, provided that in creating any such mortgages or encumbrances a municipality or redevelopment agency shall not have the power to obligate itself except with respect to the project;

(7) Make all contracts, execute all instruments, and do all things necessary or convenient in the exercise of the powers herein granted, or in the performance of its covenants or duties, or in order to secure the payment of its bonds; including, but without limitation, a contract entered into prior to the construction of the project authorizing the contracting party, subject to such terms and conditions as the municipality or redevelopment agency shall find necessary or desirable and proper, to provide for the construction, acquisition, and installation of the buildings, improvements, and equipment to be included in the project by any means available to the contracting party and in the manner determined by the contracting party and without advertisement for bids as may be required for the construction or acquisition of other municipal facilities;

(8) Enter into and perform such contracts and agreements with other munic-

ipalities, political subdivisions, and state agencies, authorities, and institutions as the respective governing bodies of the same may deem proper and feasible for or concerning the planning, construction, lease, purchase, mortgaging or other acquisition, and the financing of a project, and the maintenance thereof, including an agreement whereby one municipality issues its revenue bonds in behalf of one or more other municipalities pursuant to revenue agreements with the same or different contracting parties; which contracts and agreements may establish a board, commission, or such other body as may be deemed proper for the supervision and general management of the facilities of the project; provided, no municipality or redevelopment agency shall enter into or perform any contract or agreement with any school district under which the municipality or redevelopment agency issues its revenue bonds or otherwise provides for the construction of school facilities and the school leases or otherwise acquires these facilities;

(9) Accept from any authorized agency of the federal government loans or grants for the planning, construction, acquisition, leasing, purchase, or other provision of any project, and enter into agreements with such agency respecting such loans or grants;

(10) Sell and convey all properties acquired in connection with such projects, including without limitation the sale and conveyance thereof subject to such mortgage as herein provided, and the sale and conveyance thereof under an option granted to the lessee of the project, for such price, and at such time as the governing body of the municipality or redevelopment agency may determine, provided, however, that no sale or conveyance of such properties shall ever be made in such manner as to impair the rights or interests of the holder, or holders, of any bonds issued under the authority of this chapter;

(11) Issue revenue bonds to refund, in whole or in part, bonds previously issued by such municipality or redevelopment agency under authority of this chapter;

(12) If so provided in the revenue agreement, terminate the agreement and re-enter or repossess the project upon the default of the contracting party, and operate, lease, or sell the project in such manner as may be authorized or required by the provisions of the revenue agreement or of the resolution or indenture securing the bonds issued for the project; any revenue agreement which includes provision for a conveyance of real estate to the contracting party may be terminated in accordance with the revenue agreement, notwithstanding that such revenue agreement may constitute an equitable mortgage provided that no municipality or redevelopment agency shall have power otherwise to operate any project referred to in this chapter as a business or in any manner whatsoever, and nothing herein authorizes any municipality or redevelopment agency to expend any funds on any project herein described, other than the revenues of such projects, or the proceeds of revenue bonds and notes issued hereunder, or other funds granted to the municipality or redevelopment agency for the purposes herein contemplated, except as may be otherwise permitted by law and except to enforce any right or remedy under any revenue agreement or related agreement for the benefit of the bondholders or for the protection of any security given in connection with a revenue agreement, provided that the public cost of redevelopment of land paid by a city or its redevelopment agency shall not be deemed part of the cost of any project situated on such land;

(13) Invest or deposit, or authorize a trustee to invest or deposit, any money on hand in funds or accounts established in connection with a project or payment of bonds issued therefor, to the extent they are not presently needed for the purposes for which such funds or accounts were created, in accordance with section 471.56, as amended; and

(14) Waive or require the furnishing of a contractors payment and performance bond of the kind described in section 574.26 and if such bond shall be required, then the provisions of chapter 514 relating to liens for labor and materials, shall not be applicable in respect of any work done or labor or materials supplied for the project, and if such bond be waived then the said provisions of chapter 514 shall apply in respect of work done or labor or materials supplied for the project."

Page 5, line 23, after "PLANNING" insert "REPORT"

Page 5, line 24, after "shall" insert "*address the discontinuance of health systems agencies due to the elimination of federal funds and*"

Page 5, line 25, delete "*January 1*" and insert "*January 2*"

Page 5, line 26, delete everything after "*concerning*"

Page 5, delete lines 27 to 29 and insert "*alternative organizational arrangements and funding sources which could maintain statewide or statewide and regional participation in a state health planning system.*"

Page 6, line 4, delete "*5, and 6*" and insert "*2 to 5, 9 and 10*"

Page 6, line 5, delete everything after the first period and insert "*Sections 6 to 8 and 11 are effective March 15, 1983.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "*encouraging price disclosure;*"

Page 1, line 8, after the semicolon, insert "*Minnesota Statutes 1981 Supplement, Sections 250.05, Subdivision 4; 447.45, Subdivision 1; 474.03;*"

Page 1, line 10, delete "*Section*" and insert "*Sections*" and before the period, insert "*; 145.834; and 145.845*"

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

Mr. Humphrey from the Committee on Energy and Housing, to which were referred the following appointments as reported in the Journal for February 15, 1982:

ENERGY POLICY DEVELOPMENT COUNCIL

Vernon D. Albertson
Terry M. Anderson
Delbert F. Anderson
James A. Boerboom
Roland W. Comstock
Pat Enz
Brian B. Ettesvold

Todd L. Parchman
Phillip M. Parsons
Douglas C. Pratt
Raymond P. Ring
Eugene A. Schroedermeier
J. Robert Snyder
Joseph A. Vumbaco
Mary Williams

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

Mr. Moe, R. D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Humphrey from the Committee on Energy and Housing, to which were referred the following appointments as reported in the Journal for February 8, 1982:

MINNESOTA HOUSING FINANCE AGENCY

Demetrius G. Jelatis
J. Mark Wedel

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

Mr. Moe, R. D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Solon from the Committee on Health, Welfare and Corrections, to which were referred the following appointments as reported in the Journal for February 15, 1982:

GILLETTE HOSPITAL BOARD

Barbara H. Flanigan
Dr. James House
Geoffrey L. Kaufmann

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

Mr. Moe, R. D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Schmitz from the Committee on Veterans' Affairs, to which was referred the following appointment as reported in the Journal for March 2, 1982:

DEPARTMENT OF VETERANS' AFFAIRS COMMISSIONER

James H. Main

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

Mr. Moe, R. D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Chmielewski from the Committee on Employment, to which was re-

ferred the following appointment as reported in the Journal for February 4, 1982:

DEPARTMENT OF LABOR AND INDUSTRY COMMISSIONER

Russell Bruce Swanson

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

Mr. Moe, R. D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Chmielewski from the Committee on Employment, to which was referred the following appointment as reported in the Journal for February 15, 1982:

WORKERS' COMPENSATION COURT OF APPEALS

Leigh J. Gard

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

Mr. Moe, R. D. moved that the foregoing committee report be laid on the table. The motion prevailed.

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

H.F. No. 1455 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.
1455	1411				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1455 be amended as follows:

Page 1, line 19, strike “, on forms” and insert “*by completing the form*”

Page 1, line 20, before the period insert “*and paying the transfer fee*”

Page 1, line 23, reinstate “permit”

Page 1, line 24, reinstate “provisionally granting such transfer” and delete “*temporary license*”

And when so amended H.F. No. 1455 will be identical to S.F. No. 1411, and further recommends that H.F. No. 1455 be given its second reading and substituted for S.F. No. 1411, 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. 1831 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.
1831	1834				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1831 be amended as follows:

Page 2, line 7, before the period insert “; and in the case of employment, the employer knows or should know of the existence of the harrassment and fails to take timely and appropriate action”

And when so amended H.F. No. 1831 will be identical to S.F. No. 1834, and further recommends that H.F. No. 1831 be given its second reading and substituted for S.F. No. 1834, 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. 1817 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.
1817	1700				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1817 be amended as follows:

Page 2, line 3, delete “and” and insert a period

Page 2, line 4, delete “said” and insert “that”

Page 2, line 6, after “statutes” insert a comma

Page 2, line 8, after “Statutes” insert a comma

Page 2, line 25, strike “he” and insert “the commissioner”

Page 2, line 28, strike “TRANSFERENCE” and insert “DISPOSITION”

Page 2, line 29, before “determine” insert “administer all aspects of the disposition of property declared to be surplus under this section. The commissioner shall first”

Page 2, line 32, delete “and” and insert “. The commissioner”

Page 2, line 32, after “may” insert “then”

Page 2, line 33, after “the” insert “surplus” and after “agency” strike the comma

Page 2, line 34, strike “government” and insert “this state”

Page 2, line 34, after "States" insert "government"

Page 2, line 35, strike "therefor" and strike "the" and insert "an"

Page 2, line 35, strike "so determined" and insert "*equal to the value of the surplus property*"

Page 3, line 1, after "may" insert "also" and delete "any" and insert "*the surplus*"

Page 3, line 1, delete everything after "*property*"

Page 3, delete lines 2 to 4, and insert "*under the competitive bidding provisions of chapter 16 if no state agency or political subdivision of this state offers to purchase the surplus property for its determined value.*"

Page 3, line 6, before "Money" insert "*The commissioner shall deposit all*" and strike "shall be deposited"

Page 3, line 7, strike "and" and insert "*to be*"

Page 3, after line 8, insert:

"Sec. 4. Minnesota Statutes 1980, Section 169.09, Subdivision 13, is amended to read:

Subd. 13. [ACCIDENT REPORTS CONFIDENTIAL.] All written reports and supplemental reports required *under this section* to be provided to the department of public safety ~~by this section~~ shall be without prejudice to the individual so reporting and shall be for the confidential use of the department of public safety; ~~the Minnesota department of transportation~~, and other appropriate state, federal, county and municipal governmental agencies for accident ~~prevention~~ analysis purposes, except that the department of public safety or any law enforcement department of any municipality or county in this state shall, upon written request of any person involved in an accident or upon written request of the representative of his or her estate, his surviving spouse, or one or more of his surviving next of kin, or a trustee appointed pursuant to section 573.02, disclose to the requester, his or her legal counsel or a representative of his or her insurer any information contained therein except the parties' version of the accident as set out in the written report filed by the parties or may disclose identity of a person involved in an accident when the identity is not otherwise known or when the person denies his presence at the accident. No report shall be used as evidence in any trial, civil or criminal, arising out of an accident, except that the department of public safety shall furnish upon the demand of any person who has, or claims to have, made a report, or, upon demand of any court, a certificate showing that a specified accident report has or has not been made to the department of public safety solely to prove a compliance or a failure to comply with the requirements that the report be made to the department of public safety. Disclosing any information contained in any accident report, except as provided herein, is unlawful and a misdemeanor.

Nothing herein shall be construed to prevent any person who has made a report pursuant to this chapter from testifying in any trial, civil or criminal, arising out of an accident, as to facts within ~~his~~ *the person's* knowledge. It is intended by this subdivision to render privileged the reports required but it is not intended to prohibit proof of the facts to which the reports relate. Legally

qualified newspaper publications and licensed radio and television stations shall upon request to a law enforcement agency be given an oral statement covering only the time and place of the accident, the names and addresses of the parties involved, and a general statement as to how the accident happened without attempting to fix liability upon anyone, but said legally qualified newspaper publications and licensed radio and television stations shall not be given access to the hereinbefore mentioned confidential reports, nor shall any such statements or information so orally given be used as evidence in any court proceeding, but shall merely be used for the purpose of a proper publication or broadcast of the news.

This subdivision shall supersede other state law relating to data privacy or confidentiality with regard to accident reports. When these reports are released for accident ~~prevention~~ analysis purposes the identity of any involved person shall not be revealed. Data contained in these reports shall only be used for accident ~~prevention~~ analysis purposes, except as otherwise provided by this subdivision. Accident reports and data contained therein which may be in the possession or control of departments or agencies other than the department of public safety shall not be discoverable under any provision of law or rule of court.

The department may charge authorized persons a \$5 fee for a copy of an accident report.

Sec. 5. 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 4, line 23, reinstate "Upon" and reinstate "of the plan" and insert "completion"

Page 4, line 24, reinstate the stricken language

Page 5, line 11, strike "clause (c)" and insert "section 10"

Page 6, line 1, strike everything after the period

Page 6, strike lines 2 to 8

Page 6, line 9, strike "are to be used or shipped"

Page 6, line 17, strike the period

Page 6, line 22, delete ", concrete"

Page 6, line 23, delete "ready mix"

Page 7, after line 24, insert:

"(m) Any manufacturer, producer, dealer or distributor who, in the pursuit

of business, owns and uses trucks for the purpose of transporting that person's own products, except as otherwise provided in section 10.

(n) Any person while engaged exclusively in the transportation of pulpwood, cordwood, mining timber, poles, posts, decorator evergreens, wood chips, sawdust, shavings, and bark from the place where the products are produced to the point where they are to be used or shipped, except as otherwise provided in section 10."

Page 7, delete lines 26 to 36

Page 8, delete line 1 and insert:

"The exempt carriers set forth in section 221.011, subdivision 22, clauses (m) and (n), are subject to the requirements of section 221.031 insofar as the provisions of that section apply to driver qualifications, maximum hours of service for drivers, and safety of operations and equipment. This section is applicable only to transporting vehicles licensed and registered for a gross weight of more than 10,000 pounds."

Page 8, line 17, delete "\$150" and insert "\$300"

Page 8, line 19, delete "\$100" and insert "\$300"

Page 8, line 24, delete "\$50" and insert "\$20"

Page 8, line 28, delete "\$200" and insert "\$100"

Page 10, line 1, delete "pursuant to" and insert "under"

Page 10, line 5, strike "He" and insert "the commissioner"

Page 10, line 8, strike the comma

Page 10, line 17, strike "He" and insert "The commissioner"

Page 10, line 19, delete "He" and insert "The commissioner"

Page 10, line 22, strike "He" and insert "The commissioner"

Page 10, line 23, strike "he" and insert "the commissioner"

Page 10, line 24, strike "and" and insert ". The commissioner shall also"

Page 10, line 26, strike "him" and insert "the commissioner" and strike ", and" and insert ". The commissioner"

Page 10, line 27, after "report" insert "the following" and after "agency" insert a semicolon

Page 10, line 27, before "all" insert:

"(1)"

Page 10, line 28, strike "him" and insert "the commissioner" and strike "and" and insert a semicolon

Page 10, line 29, before "all" insert:

"(2)"

Page 10, line 30, strike the comma and insert a semicolon

Page 10, line 30, before "all" insert:

“(3)”

Page 10, line 30, strike “he” and insert “*the commissioner*”

Page 11, line 1, strike “Such” and insert “*The*”

Page 11, delete lines 16 to 18, and insert:

“Sec. 14. [PROHIBITION ON ESTABLISHMENT OF NEW DIVISIONS IN DEPARTMENT OF TRANSPORTATION.]

Notwithstanding any other law to the contrary, the commissioner of transportation shall not establish any new divisions in the department of transportation.”

Page 11, line 20, delete “1, 2, 3, 5, 6, 7, 8, 9 and 12” and insert “1 to 14”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon insert “making certain accident reports available to governmental agencies for specified purposes and authorizing a fee for copies of these accident reports; governing the movement of certain vehicles on certain highways; expanding the definition of advertising device;”

Page 1, line 14, after “161.41;” insert “169.09, Subdivision 13; 169.80, Subdivision 1;”

Page 1, line 19, delete everything after “221”

Page 1, line 20, delete everything before the period

And when so amended H.F. No. 1817 will be identical to S.F. No. 1700, and further recommends that H.F. No. 1817 be given its second reading and substituted for S.F. No. 1700, 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. 1652 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.
1652	1577				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1652 be amended as follows:

Page 1, line 12, delete “or” and insert “to”

Page 1, delete line 13 and insert “*any holder of a current license*”

Page 1, line 14, delete “*licenses*”

Page 1, line 14, delete “*are established*” and insert “*establishes*”

Page 1, line 16, delete everything after "*physician*" and insert "*that the license holder is*"

Page 1, delete lines 17 through 20 and insert "*unable to hunt in any other manner because of a permanent physical disability. A crossbow used in hunting under a permit issued pursuant to this subdivision must:*"

And when so amended H.F. No. 1652 will be identical to S.F. No. 1577, and further recommends that H.F. No. 1652 be given its second reading and substituted for S.F. No. 1577, 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. 1803 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.
1803	1600				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1803 be amended as follows:

Page 1, after line 10, 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 20, strike "*and such facilities*" and insert "*, which*" and strike "*such persons so*"

Page 1, line 21, strike "*committed to*."

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

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

Page 2, line 30, delete "*child*" and insert "*person*"

Page 3, line 7, strike "*and cause them to be instructed in branches of*"

Page 3, line 8, strike "useful knowledge, as may be" and insert "may provide education"

Page 3, delete section 4

Pages 3 and 4, delete section 5

Page 4, delete sections 6, 7, and 8

Page 4, line 30, delete "Sections 1 to 8 are" and insert "Section 1 is"

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 "subdivisions" and insert "a subdivision"

And when so amended H.F. No. 1803 will be identical to S.F. No. 1600, and further recommends that H.F. No. 1803 be given its second reading and substituted for S.F. No. 1600, 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. 773 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.
773	648				

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.

SECOND READING OF SENATE BILLS

S.F. Nos. 1611, 1234, 1632, 1418, 1941, 2053, 2054, 1714, 2123, 1228, 1596 and 1794 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 2116, 1573, 1484, 1699, 1603, 1092, 1455, 1831, 1817, 1652, 1803 and 773 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Dieterich moved that the name of Mr. Davies be added as a co-author to

S.F. No. 1175. The motion prevailed.

Mr. Merriam moved that the name of Mr. Benson be added as a co-author to S.F. No. 2055. The motion prevailed.

Mr. Sieloff moved that the name of Mr. Penny be added as a co-author to S.F. No. 2188. The motion prevailed.

Mr. Sieloff moved that the name of Mr. Penny be added as a co-author to S.F. No. 2189. The motion prevailed.

Mr. Pehler moved that the name of Ms. Berglin be added as a co-author to S.F. No. 1541. The motion prevailed.

Ms. Berglin moved that the name of Mr. Moe, D.M. be added as a co-author to S.F. No. 1957. The motion prevailed.

Mrs. Stokowski moved that her name be stricken as a co-author to S.F. No. 1579. The motion prevailed.

Mr. Hughes moved that H.F. No. 1819 be withdrawn from the Committee on Education and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 1858. The motion prevailed.

SUSPENSION OF RULES

Mr. Moe, R.D. moved to take up the Senate Calendar and that the rules of the Senate be so far suspended as to waive the lie-over requirement. The motion prevailed.

CALENDAR

S.F. No. 1715: A bill for an act relating to the city of Minneapolis; providing duties of the civil service commission; providing for positions in the unclassified service; permitting the city to change the name of the housing and redevelopment authority; permitting the transfer of certain employees to employment of the housing and redevelopment authority; establishing terms for transfer of the employees; permitting certain employees to purchase service credit from the Minneapolis employees retirement fund; amending Laws 1969, Chapter 937, Section 1, Subdivision 1, as amended, and by adding subdivisions; and Laws 1980, Chapter 595, Section 2, Subdivision 1 and Section 3, 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 56 and nays 8, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Bang
Chmielewski

Frank
Kroening

Olhoft
Solon

Stokowski

Vega

So the bill passed and its title was agreed to.

H.F. No. 253: A bill for an act relating to state lands and tax-forfeited land sales; changing the interest rate on unpaid sale balances; amending Minnesota Statutes 1980, Sections 92.06, Subdivision 1; 94.11; 282.01, Subdivision 4; 282.15; 282.222, Subdivision 4; 282.261; and 282.35, Subdivisions 2 and 3.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 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	Hanson	Luther	Pillsbury	Stumpf
Bernhagen	Hughes	Menning	Purfeerst	Taylor
Bertram	Humphrey	Merriam	Ramstad	Tennessen
Brataas	Johnson	Moe, D. M.	Renneke	Ulland
Chmielewski	Kamrath	Moe, R. D.	Rued	Vega
Dahl	Knoll	Nelson	Schmitz	Waldorf
Davies	Knutson	Olhoft	Setzepfandt	Wegener
Davis	Kroening	Pehler	Sieloff	Willet

So the bill passed and its title was agreed to.

H.F. No. 492: A bill for an act relating to crimes; authorizing counties to expend money for the purpose of investigating criminal activity relating to selling or receiving stolen property; proposing new law coded in Minnesota Statutes, Chapter 299C.

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

So the bill passed and its title was agreed to.

S.F. No. 1670: A bill for an act relating to guardianship and conserva-

torship; providing for delegation of certain powers by parents or guardians; applying the rules of evidence to certain proceedings; providing administrative procedures for the appointment of guardians or conservators for minors; providing a procedure for discharge of guardians or conservators in certain cases; clarifying certain provisions; amending Minnesota Statutes 1980, Sections 525.6165; and 525.618, by adding subdivisions; Minnesota Statutes 1981 Supplement, Sections 525.55, Subdivisions 1 and 3; 525.551, Subdivision 3; 525.5515, Subdivision 2; and 525.6196; proposing new law coded in Minnesota Statutes, Chapters 524 and 525; repealing Minnesota Statutes 1981 Supplement, Section 525.5515, Subdivision 3.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessee
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	

So the bill passed and its title was agreed to.

H.F. No. 1120: A bill for an act relating to public safety; authorizing the sale to and use by engineers of fireworks; amending Minnesota Statutes 1980, Section 624.21.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessee
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	

So the bill passed and its title was agreed to.

H.F. No. 1713: A bill for an act relating to St. Louis county; providing for the calculation of vacation and sick leave allowances of certain employees.

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

So the bill passed and its title was agreed to.

S.F. No. 63: A bill for an act relating to retirement; specifying eligibility for early retirement health and welfare insurance coverage for certain employees of the city of St. Paul.

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 1, as follows:

Those who voted in the affirmative were:

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

Mr. Spear voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 1726: A bill for an act relating to education; removing the commissioner of education from the state university board and as secretary of the board; allowing community college and state university teachers to accrue seniority credit during extended leaves of absence; amending Minnesota Statutes 1980, Sections 136.12, Subdivision 1; 136.13; and 136.88, Subdivision 5.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessen
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	

So the bill passed and its title was agreed to.

H.F. No. 1622: A bill for an act relating to state lands; providing for the transfer of ownership to meet donors' intent.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessen
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	

So the bill passed and its title was agreed to.

H.F. No. 1712: A bill for an act relating to public welfare; amending the community social services act; removing certain requirements related to biennial plans and the sliding fee for child care; providing for identification of certain rules; exempting the commissioner from certain rulemaking procedures; providing for notice and comment procedures with respect to proposals to amend or repeal certain rules; providing for allocation of funds to counties; amending Minnesota Statutes 1980, Section 256E.09, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 245.84, Subdivision 2; 256E.03, Subdivision 2; 256E.05, Subdivision 3; and 256E.07, Subdivision 3; repealing Minnesota Statutes 1981 Supplement, Section 256E.07, 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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessen
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	Willett
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

H.F. No. 1955: A bill for an act relating to the city of Waconia; authorizing the sale of certain revenue bonds at a price less than par value and authorizing the maturity schedule to be determined by municipal resolution.

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

Mr. Setzepfandt voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1842: A bill for an act relating to transportation; establishing a highway maintenance cost containment council.

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 9, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Benson	Kamrath	Moe, D. M.	Stumpf	Waldorf
Bertram	Kroening	Pillsbury	Ulland	

So the bill passed and its title was agreed to.

S.F. No. 1780: A bill for an act relating to highway traffic regulations; governing the movement of certain vehicles on certain highways; allowing the use of certain combinations of vehicles; allowing certain axle weight combinations; establishing allowable axle weight combinations; establishing allowable axle weights on restricted routes; modifying the distribution of receipts collected as fines; amending Minnesota Statutes 1980, Section 169.80, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 169.81, Subdivision 3; 169.825, Subdivisions 8, 10, and 12; 299D.03, Subdivision 5; repealing Minnesota Statutes 1981 Supplement, Section 169.861.

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

Mr. Tennessen voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1207: A bill for an act relating to intoxicating liquor; providing an exemption from the multiple interest limitation on off-sale licenses for pre-existing franchise agreements; authorizing the issuance of two additional wine licenses outside the liquor patrol limit of the city of St. Paul; amending Minnesota Statutes 1980, Section 340.13, Subdivision 3.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 45 and nays 21, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Langseth	Penny	Stern
Belanger	Engler	Lantry	Petty	Stumpf
Berg	Frank	Lessard	Pillsbury	Taylor
Berglin	Hanson	Lindgren	Purfeerst	Tennessen
Bertram	Hughes	Luther	Schmitz	Ulland
Brataas	Humphrey	Moe, D. M.	Setzepfandt	Vega
Dahl	Johnson	Moe, R. D.	Sieloff	Waldorf
Davis	Knoll	Nelson	Sikorski	Wegener
Dicklich	Kronebusch	Pehler	Spear	Willet

Those who voted in the negative were:

Bang	Frederick	Menning	Peterson, R. W.	Stokowski
Benson	Frederickson	Merriam	Ramstad	
Bernhagen	Kamrath	Olhoft	Renneke	
Chmielewski	Knutson	Peterson, C. C.	Rued	
Davies	Kroening	Peterson, D. L.	Solon	

So the bill passed and its title was agreed to.

H.F. No. 1920: A bill for an act relating to economic development; excepting motor carriers from the definition of "business license;" amending Minnesota Statutes 1981 Supplement, Section 362.452, Subdivision 2a.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessen
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	

So the bill passed and its title was agreed to.

S.F. No. 1706: A bill for an act relating to insurance; authorizing separate accounts for certain pension plans; amending Minnesota Statutes 1981 Supplement, Section 61A.282, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 61A.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessen
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	

So the bill passed and its title was agreed to.

S.F. No. 1522: A bill for an act relating to local government; changing the filing of the bond of the town clerk and the town treasurer; permitting towns to self insure in the same way as other political subdivisions; 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; amending Minnesota Statutes 1980, Sections 367.10; 367.15; 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; and 471.98, Subdivision 2; 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 64 and nays 0, as follows:

Those who voted in the affirmative were:

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	Hughes	Menning	Purfeerst	Taylor
Bertram	Humphrey	Merriam	Ramstad	Tennessen
Brataas	Johnson	Moe, D. M.	Renneke	Ulland
Chmielewski	Kamrath	Moe, R. D.	Rued	Vega
Dahl	Knoll	Nelson	Schmitz	Waldorf
Davies	Knutson	Olhoft	Setzepfandt	Wegener
Davis	Kroening	Pehler	Sieloff	Willet
Dicklich	Kronebusch	Penny	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1740: A bill for an act relating to real estate; providing an exception for certain restrictions based on familial status in cooperative housing; permitting administrators of rental housing to petition the court for certain powers; clarifying the court's discretion to make certain orders; amending Minnesota Statutes 1980, Sections 363.01, by adding a subdivision; 363.02, Subdivision 2; 566.25; and 566.29, 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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessee
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	

So the bill passed and its title was agreed to.

H.F. No. 1366: A bill for an act relating to liens for improvements made to real property; prescribing notice requirements to owners by subcontractors; defining owner; amending Minnesota Statutes 1980, Section 514.011, Subdivisions 2 and 5.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessee
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	

So the bill passed and its title was agreed to.

H.F. No. 2175: A bill for an act relating to Minnesota Statutes, correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating certain redundant, conflicting and superseded provisions; authorizing the revisor of statutes to make necessary reference changes if the administrative procedure act is recompiled as a separate chapter; amending Minnesota Statutes 1980, Sections 60C.02, Subdivision 1; 62B.04, Subdivision 1; 92.03, Subdivision 4; 106.011, Subdivision 20; 106.021, Subdivision 2; 106.081, Subdivision 1; 106.091, Subdivision 2; 120.17, Subdivisions 4a and 5; 123.21; 123.78, Subdivision 1; 123.932, Subdivision 1a; 125.12, Subdivision 3; 129.121, Subdivision 1; 136.015; 145.833, Subdivisions 9, 10 and 11;

160.05, Subdivision 1; 175.35; 177.23, Subdivisions 4, 7 and 10; 177.27; 177.28; 177.29; 177.30; 177.31; 177.32; 177.33; 177.34; 177.35; 214.14, Subdivision 1; 273.11, Subdivision 5; 282.01, Subdivision 1; 290.41, Subdivision 3; 458.192, Subdivision 15; 462.415, Subdivisions 4 and 6; 462.421, Subdivisions 1, 2 and 20; 462.425, Subdivision 7; 462.426, Subdivision 1; 462.427, Subdivision 2; 462.428, Subdivision 3; 462.445, Subdivisions 1, 4 and 5; 462.451, Subdivision 2; 462.461, Subdivisions 1 and 2; 462.485; 462.511; 462.541, Subdivision 2; 462.545, Subdivisions 1, 2, 3 and 6; 462.555; 462.561; 462.571; 462.581; 462.591, Subdivision 1; 462.621, Subdivisions 1 and 3; 462.631, Subdivision 1; 462.635; 462.645, Subdivisions 1, 5 and 7; 462.665; 462.671; 462.701; 462.705; 462.712; 462.713; 473.195, Subdivision 1; 504.24, Subdivision 2; Chapter 111, by adding a section; Minnesota Statutes 1981 Supplement, Sections 11A.18, Subdivision 9; 43A.08, Subdivision 2; 43A.27, Subdivision 2; 47.20, Subdivisions 4a and 4b; 60A.11, Subdivisions 9 and 10; 69.011, Subdivision 2; 69.031, Subdivision 5; 97.488, by adding a subdivision; 116H.129, Subdivisions 1, 5 and 6; 156A.02, Subdivision 6; 168.013, Subdivision 1c; 169.825, Subdivision 10; 171.36; 176.306, Subdivision 2; 204B.31; 222.63, Subdivision 4; 273.11, Subdivision 1; 290.077, Subdivision 4; 290.09, Subdivision 15; 299F.011, Subdivision 1; 353.01, Subdivisions 2a and 6; 355.11, Subdivision 5; 414.0325, Subdivision 5; 462.601; 462.605; 514.011, Subdivision 4a; 525.551, Subdivision 5; 525.6198; and Laws 1981, Chapter 224, Section 73; repealing Minnesota Statutes 1980, Section 60A.11, Subdivisions 5a and 5b; Minnesota Statutes 1981 Supplement, Section 290.971, Subdivision 7; Laws 1980, Chapter 587, Article I, Sections 31, 32, 33, 34, 35, 36, 37, 38 and 39; Laws 1981, Chapters 31, Section 7; 60, Section 14; 137, Section 3; 158; 178, Section 33; 205, Section 1; 224, Section 92; 255, Sections 1, 3 and 4; 356, Sections 99, 189, 190, 191, 210 and 212; and 357, Section 28.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessee
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	Olhoff	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1950: A bill for an act relating to corporations; correcting certain errors; removing certain deficiencies and ambiguities; and amending Minnesota Statutes 1981 Supplement, Sections 300.083, Subdivision 2; 300.49, Subdivision 1; 302A.011, Subdivisions 4, 10, 17, 21, 25, 29, 30, and 31;

302A.021, Subdivisions 2, 4, 7, and 8; 302A.111, Subdivisions 2, 3, and 4; 302A.115, Subdivision 2; 302A.123; 302A.131; 302A.135, Subdivisions 2 and 4; 302A.181, Subdivision 3; 302A.201, Subdivision 2; 302A.207; 302A.235; 302A.239, Subdivision 1; 302A.241, Subdivisions 1 and 2; 302A.243; 302A.251, Subdivisions 2 and 3; 302A.255, Subdivision 1; 302A.401, Subdivision 2; 302A.403, Subdivisions 2 and 4; 302A.405, Subdivision 1; 302A.413, Subdivision 4; 302A.431, Subdivision 2; 302A.433, Subdivisions 1 and 2; 302A.435, Subdivision 1; 302A.437, Subdivision 1; 302A.443; 302A.445, Subdivisions 1 and 6; 302A.455; 302A.457, Subdivisions 1 and 2; 302A.461, Subdivision 2; 302A.463; 302A.467; 302A.521, Subdivision 2; 302A.551, Subdivisions 1 and 2; 302A.559, Subdivision 1; 302A.613, Subdivisions 2 and 3; 302A.661, Subdivision 2; 302A.721, Subdivision 2; 302A.723, Subdivision 1; 302A.727, Subdivision 2; 302A.729, Subdivision 1; 302A.731, Subdivision 2; 302A.733, Subdivision 1; 302A.741; 302A.751, Subdivisions 2 and 3; 302A.781, Subdivision 1; 302A.821, Subdivisions 4 and 5; repealing Minnesota Statutes 1981 Supplement, Sections 302A.011, Subdivision 35; and 302A.241, Subdivision 3.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1809: A bill for an act relating to crimes; providing for the protection of the victims of criminal sexual conduct, intrafamilial sexual abuse, or use of a minor to prepare an obscene work; amending Minnesota Statutes 1981 Supplement, Section 15.791, Subdivision 9; proposing new law coded in Minnesota Statutes, Chapter 631.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	

So the bill passed and its title was agreed to.

S.F. No. 19: A bill for an act relating to eminent domain proceedings; allowing an award of costs and attorneys' fees under certain circumstances; amending Minnesota Statutes 1980, Section 117.195.

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

Those who voted in the negative were:

Berglin	Chmielewski	Pehler	Peterson, C. C.	Willet
Bertram				

So the bill passed and its title was agreed to.

S.F. No. 1825: A bill for an act relating to the collection and dissemination of data; proposing the classification of certain welfare data as nonpublic; amending Minnesota Statutes 1980, Section 15.1691, Subdivision 6; Minnesota Statutes 1981 Supplement, Sections 15.781, Subdivision 1; and 15.791, Subdivision 9.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessen
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	Setzpfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 2030: A bill for an act relating to economic development; granting power to the commissioner of energy, planning and development with respect to community development corporation grants; amending Minnesota Statutes 1980, Section 362.41, 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 61 and nays 5, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Frank	Johnson	Kamrath	Peterson, C. C.	Setzpfandt
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So the bill passed and its title was agreed to.

H.F. No. 2078: A bill for an act relating to state government; authorizing the commissioner of the department of economic security to delegate certain powers; amending Minnesota Statutes 1980, Section 268.011, Subdivision 2.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1840: A bill for an act relating to commerce; providing for a determination of when certain property held by a financial institution or business organization is presumed abandoned; amending Minnesota Statutes 1980, Sections 345.32, as amended; and 345.39, as amended.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 2, 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	Tennessee
Brataas	Humphrey	Moe, D. M.	Renneke	Ulland
Chmielewski	Johnson	Moe, R. D.	Rued	Vega
Dahl	Kamrath	Nelson	Schmitz	Waldorf
Davies	Knoll	Olhoft	Setzepfandt	
Davis	Knutson	Pehler	Sieloff	

Messrs. Kroening and Willet voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 2068: A bill for an act relating to intoxicating liquor; authorizing the city of International Falls to issue one short term on-sale liquor license.

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 10, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Chmielewski
Davies

Kamrath
Lindgren

Menning
Peterson, C.C.

Peterson, D.L.
Ramstad

Renneke
Ulland

So the bill passed and its title was agreed to.

H.F. No. 12: A bill for an act relating to public utilities; requiring commission approval of interim rate changes; amending Minnesota Statutes 1980, Sections 216B.16, Subdivision 3; and 237.075, Subdivision 3.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessen
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	

So the bill passed and its title was agreed to.

S.F. No. 2125: A bill for an act relating to real property; providing that covenants, conditions, restrictions or extensions thereof annexed to a grant, devise or conveyance of land that are or become nominal shall not operate as a basis of forfeiture; providing for the modification and extension of contracts for deed; providing dates for applicable laws relating to termination of contracts; removing a time limitation on the duration of covenants, conditions and restrictions; amending Minnesota Statutes 1980, Sections 500.20, Subdivision 1; 559.21, Subdivision 1, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 508; repealing Minnesota Statutes 1980, Section 500.20, 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 62 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Kroening voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 2062: A bill for an act relating to courts; providing for the appointment of a court commissioner to solemnize marriages in the combined county court district of Benton and Stearns.

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

Messrs. Menning, Setzepfandt and Ulland voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1955: A bill for an act relating to tax forfeited land; restoring certain funds to the real estate assurance account; appropriating money; amending Minnesota Statutes 1981 Supplement, Section 284.28, Subdivision 8.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessen
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	

So the bill passed and its title was agreed to.

S.F. No. 1561: A bill for an act relating to child support and maintenance payments; authorizing release of information for location of certain parents of deserted children; providing for the collection and withholding of payments;

amending Minnesota Statutes 1980, Section 256.978; Minnesota Statutes 1981 Supplement, Sections 256.872, Subdivisions 1, as amended, and 2; 518.551, Subdivisions 1 and 2; and 518.611, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 518; repealing Minnesota Statutes 1980, Sections 256.874 and 256.878; and Minnesota Statutes 1981 Supplement, Sections 256.875 and 256.877.

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

So the bill passed and its title was agreed to.

S.F. No. 929: A bill for an act relating to commerce; requiring manufacturers of alcohol fueled motor vehicles to offer the same for sale within the state; proposing new law coded in Minnesota Statutes, Chapter 325E.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 19, as follows:

Those who voted in the affirmative were:

Berglin	Frederick	Menning	Petty	Stokowski
Bernhagen	Frederickson	Moe, D. M.	Purfeerst	Stumpf
Bertram	Hanson	Moe, R. D.	Renneke	Vega
Chmielewski	Hughes	Nelson	Schmitz	Waldorf
Dahl	Humphrey	Olhoft	Setzepfandt	Wegener
Davis	Johnson	Olhoft	Sieloff	Willet
Dicklich	Kroening	Pehler	Sikorski	
Dieterich	Langseth	Penny	Solon	
Engler	Lantry	Peterson, C. C.	Solon	
Frank	Luther	Peterson, D. L.	Spear	
		Peterson, R. W.	Stern	

Those who voted in the negative were:

Ashbach	Berg	Knutson	Merriam	Taylor
Bang	Brataas	Kronebusch	Pillsbury	Tennessen
Belanger	Davies	Lessard	Ramstad	Ulland
Benson	Kamrath	Lindgren	Rued	

So the bill passed and its title was agreed to.

S.F. No. 1886: A bill for an act relating to energy; changing the definition of

large energy facility; amending Minnesota Statutes 1980, Section 116H.02, Subdivision 5.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessen
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	Willett
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1221: A bill for an act relating to the city of Brooklyn Center; authorizing the establishment of a home energy conservation program; permitting special assessment for energy improvements.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessen
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	Willett
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1677: A bill for an act relating to municipal planning and zoning; prohibiting exclusion of manufactured homes and other types of single family dwellings; amending Minnesota Statutes 1980, Sections 394.25, Subdivision 3; and 462.357, Subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 12, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Bertram	Engler	Pehler	Peterson, D. L.	Renneke
Dahl	Frederickson	Penny	Ramstad	Taylor
Dicklich	Lindgren			

So the bill passed and its title was agreed to.

S.F. No. 1888: A bill for an act relating to education; requiring welfare and correctional institutions to submit an educational policy to the commissioner of education; proposing new law coded in Minnesota Statutes, Chapter 121.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 4, as follows:

Those who voted in the affirmative were:

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

Messrs. Benson, Kamrath, Knutson and Ulland voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1838: A bill for an act relating to administrative procedures; providing for notice of temporary rulemaking; amending Minnesota Statutes 1981 Supplement, Section 15.0412, Subdivision 5.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 2, as follows:

Those who voted in the affirmative were:

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

Ms. Berglin and Mr. Vega voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1747: A bill for an act relating to natural resources; requiring payment of interest on late refunds to timber sale permit holders; authorizing reappraisal of damaged or destroyed timber sold under a permit; authorizing settlement of permit obligations when a permittee is incapacitated or deceased; extending the time during which the commissioner of natural resources may extend timber permits; amending Minnesota Statutes 1980, Section 90.201; and Laws 1981, Chapter 305, Section 11.

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

So the bill passed and its title was agreed to.

S.F. No. 1908: A bill for an act relating to waters and watercraft safety; amending the definition of watercraft; defining paddle boat; changing registration fees; amending Minnesota Statutes 1980, Sections 361.02, Subdivision 7, and by adding a subdivision; and 361.03, Subdivision 3.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 5, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Davis	Dicklich	Johnson	Pehler	Willet
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So the bill passed and its title was agreed to.

S.F. No. 2111: A bill for an act relating to real estate; directing conveyances of the state's right, title and interest in certain lands to Lake of the Woods County and Beltrami County.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Olhoff	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1022: A bill for an act relating to water; raising the petitioners' bond in certain drainage project cases and the appellant's bond in the case of certain appeals; clarifying the responsibility imposed on certain water project contractors; amending Minnesota Statutes 1980, Sections 105.463; 106.041; and 106.631, 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 58 and nays 6, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Benson	Frederick	Kamrath	Peterson, D. L.	Pillsbury
Berg				

So the bill passed and its title was agreed to.

S. F. No. 1894: A bill for an act relating to energy; changing the duties of the commissioner of the department of energy, planning and development; expanding the scope of certain energy education programs; changing certain residential energy sales programs; providing for wind energy conversion systems in county and municipal zoning law; creating wind easements; amending Minnesota Statutes 1980, Sections 116H.02, by adding a subdivision; 116H.15, Subdivisions 1 and 3; 394.25, Subdivision 3; 462.357, Subdivision 1; 500.30; Minnesota Statutes 1981 Supplement, Sections 116H.07; 116H.088, Subdivision 1; 116H.095, Subdivisions 4 and 5; 116H.10, Subdivision 4; 116H.11, Subdivision 1; 116H.128; 116H.15, Subdivision 2; 116H.18; proposing new law coded in Minnesota Statutes, Chapter 325E; repealing Minnesota Statutes 1980, Sections 116H.088, Subdivision 2; 116H.12, Subdivision 8; and Minnesota Statutes 1981 Supplement, Section 120.78, Subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 5, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ashbach	Belanger	Kamrath	Renneke	Setzepfandt
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So the bill passed and its title was agreed to.

S.F. No. 2000: A bill for an act relating to the city of Brooklyn Center; authorizing the Brooklyn Center housing and redevelopment authority to carry out a housing interest buy-down program.

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 7, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Brataas	Frederick	Merriam	Olhoft	Tennessen
Davies	Knutson			

So the bill passed and its title was agreed to.

S.F. No. 1967: A bill for an act relating to highway traffic regulations; including a person in a wheelchair within the definition of pedestrian; amending Minnesota Statutes 1980, Sections 169.01, Subdivision 24, and by adding a subdivision; and 169.21, Subdivision 5.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessen
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	

So the bill passed and its title was agreed to.

S.F. No. 2006: A bill for an act relating to gambling; providing an exception for certain nonprofit organizations to the annual limitation on prizes awarded from the conduct of raffles; amending Minnesota Statutes 1980, Sections

349.17, Subdivision 1; and 349.26, Subdivision 9, and by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 349.26, Subdivision 15.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 10, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Berg	Johnson	Menning	Renneke	Sieloff
Davies	Langseth	Olhoft	Rued	Ulland

So the bill passed and its title was agreed to.

S.F. No. 1907: A bill for an act relating to real property; requiring certification by the municipality prior to transfer by the county auditor of certain unplatted properties; proposing new law coded in Minnesota Statutes, Chapter 272.

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

So the bill passed and its title was agreed to.

S.F. No. 1758: A bill for an act relating to crimes; prohibiting conspiracies to violate controlled substances laws; clarifying the crime of escape from jail; prescribing penalties; amending Minnesota Statutes 1980, Section 609.485, Subdivision 3; proposing new law coded in Minnesota Statutes 1980, Chapter

152.

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

So the bill passed and its title was agreed to.

S.F. No. 2121: A bill for an act relating to Olmsted County; allowing the county recorder to extend credit for the payment of charges.

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

So the bill passed and its title was agreed to.

S.F. No. 1078: A bill for an act relating to game and fish; allowing the commissioner of natural resources to authorize the use of snowmobiles in connection with taking beaver or otter; amending Minnesota Statutes 1980, Section 100.29, Subdivision 30.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 47 and nays 19, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Knoll	Pehler	Setzepfandt
Bang	Dieterich	Knutson	Penny	Solon
Belanger	Engler	Kronebusch	Peterson, C. C.	Stern
Benson	Frederick	Langseth	Peterson, R. W.	Taylor
Berg	Frederickson	Lantry	Pillsbury	Ulland
Bernhagen	Hanson	Lessard	Purfeerst	Wegener
Bertram	Hughes	Menning	Ramstad	Willet
Chmielewski	Humphrey	Merriam	Renneke	
Dahl	Johnson	Moe, R. D.	Rued	
Davis	Kamrath	Olhoft	Schmitz	

Those who voted in the negative were:

Berglin	Kroening	Nelson	Sikorski	Tennessee
Brataas	Lindgren	Peterson, D. L.	Spear	Vega
Davies	Luther	Petty	Stokowski	Waldorf
Frank	Moe, D. M.	Sieloff	Stumpf	

So the bill passed and its title was agreed to.

S.F. No. 2048: A bill for an act relating to state parks; restating the boundaries of Tower Soudan state park; authorizing conveyance of certain park lands.

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

So the bill passed and its title was agreed to.

S.F. No. 1631: A bill for an act relating to the Red River watershed; naming all counties in which the special taxing authority of certain watershed districts applies; amending Laws 1976, Chapter 162, Section 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 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	Tennessee
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. 2035: A bill for an act relating to victim reparation for wrongful death; a clarification of the time limitations for maintaining an action for death by intentional wrongful act where the act causing the death constitutes the crime of murder; amending Minnesota Statutes 1980, Section 573.02, Subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessee
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	

So the bill passed and its title was agreed to.

S.F. No. 1523: A bill for an act relating to the city of Little Falls; extending a certain expired deferred compensation option to the city administrator therein.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 4, as follows:

Those who voted in the affirmative were:

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

Ms. Berglin; Messrs. Merriam; Peterson, C. C. and Spear voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 1948: A bill for an act relating to retirement; Richfield firefighters relief association; eliminating various obsolete special law provisions; validating certain prior payments or actions; amending Extra Session Laws 1961, Chapter 28, Section 14; repealing Extra Session Laws 1961, Chapter 28, Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13; and Laws 1963, Chapter 464.

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

So the bill passed and its title was agreed to.

H.F. No. 1646: A bill for an act relating to retirement; Buhl school district; altering the effective date of retirement for the payment of the post-retirement increase; requiring payment of necessary reserves.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 2, as follows:

Those who voted in the affirmative were:

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

Messrs. Nelson and Solon voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 1336: A bill for an act relating to retirement; highway patrol benefits and refunds; providing annual benefit increases to pre-1973 retirees and surviving spouses; appropriating funds; amending Minnesota Statutes 1980, Section 352B.11, Subdivision 1; and Minnesota Statutes 1981 Supplement, Sections 352B.02, Subdivision 1; 352B.08, Subdivision 2; and 352B.11, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 352B.

With the unanimous consent of the Senate, Mr. Peterson, C.C. moved that the amendment made to H.F. No. 1336 by the Committee on Rules and Administration in the report adopted March 3, 1982, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 1336 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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessen
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	

So the bill passed and its title was agreed to.

S.F. No. 1541: A bill for an act relating to accident and health insurance; broadening continuation and conversion privileges of survivors and former spouses; amending Minnesota Statutes 1980, Sections 62A.145; 62A.146;

62C.142; and 62D.101; and Minnesota Statutes 1981 Supplement, Section 62A.21, Subdivisions 2a and 2b.

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 57 and nays 5, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ashbach	Bang	Benson	Brataas	Kamrath
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So the bill passed and its title was agreed to.

S.F. No. 518: A bill for an act relating to cable communications; changing certain definitions and procedures relating to cable communications system franchises and operations; amending Minnesota Statutes 1980, Sections 238.02, Subdivision 3; 238.03; 238.05, by adding a subdivision; 238.06, Subdivision 6; 238.09, Subdivisions 6 and 7; 238.11, Subdivision 2; and 238.12, Subdivisions 1 and 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 59 and nays 7, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Berglin	Dieterich	Spear	Tennessen	Willet
Davies	Kroening			

So the bill passed and its title was agreed to.

S.F. No. 1684: A bill for an act relating to commerce; providing uniformity

in requiring insurance of accounts in depository financial institutions; clarifying examination reports as confidential records; clarifying permissible transactions at financial institutions by examiners; defining building and loan association; clarifying financial institution real estate investment authority; establishing an application procedure for certain bank detached facilities; providing for clearly differentiating a detached facility from the parent bank principal office; establishing a uniform authority for financial institutions' limited trust powers and individual housing accounts; clarifying certain words, terms and phrases relating to supervision of banks and trust companies; eliminating the filing requirement for bank directors' oaths; clarifying exceptions to prohibition against bank or trust company sale of assets; providing for uniform quarterly reporting by banks or trust companies; providing uniform capital requirements for stock savings banks and approval procedures for amending articles or certificates of incorporation; removing inconsistencies in fees payable to secretary of state; removing the expiration date for the credit union advisory council; removing inconsistencies with earlier laws regarding certificate loan plans of industrial loan and thrift companies; providing for liquidity reserve requirements by insured industrial loan and thrift companies consistent with other depository institutions; providing for reasonable fees, annual renewals and surety bond limits for licensing safe deposit companies; clarifying default charges, deferrals, conversion rights, interest after maturity and issuance of receipts on regulated loans; limiting licensing and examination of sales finance companies to those located in this state; authorizing the restatement of articles of incorporation of financial institutions; removing ceiling on interest rate paid by mortgagor during redemption period; amending Minnesota Statutes 1980, Sections 46.07, Subdivision 2; 46.09, as amended; 47.01, Subdivision 5; 47.10; 48.01, Subdivision 1; 48.16; 48.21; 48.76; 50.25; 51A.23, Subdivision 6; 52.061; 52.24; 53.04, Subdivision 5; 53.07; 55.04, Subdivision 2; 55.05; 168.66, Subdivision 8; 580.23, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 48.06; 48.48; 51A.03, Subdivision 5; 56.131, Subdivision 1; 56.14; proposing new law coded in Minnesota Statutes, Chapters 45; 47; 55; and 300; repealing Minnesota Statutes 1980, Sections 47.16, Subdivision 2; 48.159, Subdivision 1; 48.25; 50.157, Subdivision 1; 51A.21, Subdivision 16; 52.135; Minnesota Statutes 1981 Supplement, Sections 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; and 52.136.

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 7, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Berglin
JohnsonKroening
Spear

Vega

Waldorf

Willet

So the bill passed and its title was agreed to.

S.F. No. 1957: A resolution memorializing the President and Congress of the United States in support of a mutual freeze with the Soviet Union on the testing, production, and deployment of nuclear weapons and delivery systems.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1630: A bill for an act relating to the legislature; changing January payment date; amending Minnesota Statutes 1980, Section 3.099, Subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	

So the bill passed and its title was agreed to.

S.F. No. 1640: A bill for an act relating to Hennepin County; providing for the interest on and name of certain debt; regulating personnel provisions; clarifying self insurance authority; permitting the county board members to be

paid an allowance in lieu of mileage; removing an exception to the general law; amending Minnesota Statutes 1981 Supplement, Section 375.055, Subdivision 1; Laws 1965, Chapter 855, Section 4, Subdivision 1, as amended, and Section 7, Subdivisions 3, as amended, and 4, as amended; Laws 1979, Chapter 55, Section 1; and Laws 1979, Chapter 198, Article II, Section 7, Subdivisions 1 and 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 51 and nays 14, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ashbach	Knutson	Lindgren	Peterson, D. L.	Waldorf
Bertram	Kroening	Pehler	Rued	Willet
Frederick	Lessard	Peterson, C. C.	Setzepfandt	

So the bill passed and its title was agreed to.

S.F. No. 1869: A bill for an act relating to local government; permitting counties to make electronic funds transfers; amending Minnesota Statutes 1980, Section 471.38, Subdivision 3.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 2141: A bill for an act relating to local government; allowing towns

and cities to set license fees for cigarette sellers; amending Minnesota Statutes 1980, Section 461.12.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 2, as follows:

Those who voted in the affirmative were:

Bang	Engler	Lantry	Peterson, D. L.	Spear
Belanger	Frank	Lessard	Peterson, R. W.	Stern
Benson	Frederick	Lindgren	Petty	Stokowski
Berg	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	Olhoff	Setzepfandt	Wegener
Davis	Knutson	Pehler	Sieloff	Willet
Dicklich	Kronebusch	Penny	Sikorski	
Dieterich	Langseth	Peterson, C. C.	Solon	

Ms. Berglin and Mr. Kroening voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1879: A bill for an act relating to state government; allowing for disclosures of information between the commissioner of revenue and the department of economic security; amending Minnesota Statutes 1980, Section 268.12, Subdivision 12; and Minnesota Statutes 1981 Supplement, Section 290.61.

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 66 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessen
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	Olhoff	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1987: A bill for an act relating to taxation; requiring notification to school districts of certain property tax assessment challenge proceedings; authorizing school districts to participate at certain hearings; amending Minnesota Statutes 1980, Sections 278.01; and 278.05, Subdivision 2.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Penny	Sikorski
Bang	Engler	Langseth	Peterson, C. C.	Solon
Belanger	Frank	Lantry	Peterson, D. L.	Spear
Benson	Frederick	Lessard	Peterson, R. W.	Stern
Berg	Frederickson	Lindgren	Petty	Stokowski
Berglin	Hanson	Luther	Pillsbury	Stumpf
Bernhagen	Hughes	Menning	Purfeerst	Taylor
Bertram	Humphrey	Merriam	Ramstad	Tennessen
Brataas	Johnson	Moe, D. M.	Renneke	Ulland
Chmielewski	Kamrath	Moe, R. D.	Rued	Vega
Dahl	Knoll	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. 276: A bill for an act relating to health; establishing an advisory task force on the use of state facilities in lieu of reimbursing private facilities for some purposes; appropriating money.

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 57 and nays 8, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ashbach	Benson	Knutson	Ulland	Waldorf
Bang	Kamrath	Merriam		

So the bill passed and its title was agreed to.

S.F. No. 1966: A bill for an act relating to education; authorizing Independent School District No. 742 to commence AVTI construction subject to certain conditions; permitting the state university board to replace certain buildings.

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	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	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
Davis	Knoli	Olhoft	Setzepfandt	Wegener
Davis	Knutson	Pehler	Sieloff	Willet

So the bill passed and its title was agreed to.

S.F. No. 1421: A bill for an act relating to fish and wildlife; providing additional authority for the commissioner of natural resources to limit the numbers of deer and bear hunters under certain circumstances; increasing resident deer and bear license fees; providing for deer and bear management, computerized licensing systems, and emergency feeding of wild animals during the winter of 1982; clarifying provisions concerning possession of certain equipment usable in taking fish; authorizing negotiated sale of certain surplus equipment; appropriating money; amending Minnesota Statutes 1980, Sections 97.48, Subdivision 24; 97.49, Subdivision 1a, and by adding a subdivision; and 101.42, Subdivision 18; and Minnesota Statutes 1981 Supplement, Section 98.46, Subdivision 2.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 3, as follows:

Those who voted in the affirmative were:

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

Messrs. Davies, Kroening and Moe, D.M. voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1623: A bill for an act relating to municipal bonds; providing a formula for determining limitations on interest rates; changing a public sale requirement; amending Minnesota Statutes 1980, Sections 474.06; 475.55 and 475.60, Subdivision 2.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Kroening voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1666: A bill for an act relating to legal services; providing for a surcharge on civil filing fees; authorizing the supreme court to appoint an advisory committee; authorizing the distribution of the surcharge funds to qualified programs providing legal services to certain persons; requiring a report to the legislature; proposing new law coded in Minnesota Statutes, Chapter 480.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 11, as follows:

Those who voted in the affirmative were:

Belanger	Engler	Lessard	Peterson, R. W.	Spear
Berg	Frederickson	Lindgren	Petty	Stern
Berglin	Hanson	Luther	Pillsbury	Stumpf
Bernhagen	Hughes	Menning	Purfeerst	Taylor
Brataas	Humphrey	Merriam	Ramstad	Tennessee
Chmielewski	Johnson	Moe, R. D.	Renneke	Vega
Dahl	Knoll	Nelson	Schmitz	Wegener
Davies	Kroening	Olhoft	Setzepfandt	Willet
Davis	Kronebusch	Pehler	Sieloff	
Dicklich	Langseth	Penny	Sikorski	
Dieterich	Lantry	Peterson, C. C.	Solon	

Those who voted in the negative were:

Bang	Frank	Knutson	Rued	Ulland
Benson	Kamrath	Peterson, D. L.	Stokowski	Waldorf
Bertram				

So the bill passed and its title was agreed to.

S.F. No. 1818: A bill for an act relating to financial institutions; providing for maximum interest rates on the unpaid balance of loans made by a bank, savings bank, savings association, or credit union; making a temporary, super-seding interest rate provision permanent; amending Minnesota Statutes 1980, Sections 48.153, Subdivisions 1a and 3a; 52.14, Subdivision 2; Minnesota

Statutes 1981 Supplement, Section 48.195; repealing Minnesota Statutes 1980, Sections 48.153, Subdivisions 1 and 3; and 52.14, Subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 11, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Berglin	Dieterich	Johnson	Sikorski	Stumpf
Chmielewski	Hughes	Kroening	Spear	Willet
Dicklich				

So the bill passed and its title was agreed to.

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 and Second Reading of Senate and House Bills. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. 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,

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 2; 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, Sub-

divisions 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 report from the Committee on Taxes and Tax Laws, shown in the Journal for March 4, 1982, be adopted; that committee recommendation being

“the bill be amended and when so amended the bill do pass.”

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

S.F. No. 2003: A bill for an act relating to agriculture; providing for the prevention of economic waste in the marketing of certain agricultural crops produced in Minnesota by fixing a minimum price; providing for administration and enforcement; providing a penalty; proposing new law coded in Minnesota Statutes, Chapter 17.

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

Page 1, delete lines 11 and 12

Pages 2 and 3, delete sections 2 to 5 and insert:

“Sec. 2. [LEGISLATIVE COMMISSION ON FARM COMMODITY PRICES.] *Subdivision 1. [COMPOSITION.] The legislative commission on farm prices 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 elect a chairman from among its members.*

Subd. 2. [GENERAL DUTIES.] The commission shall:

(a) Contact all other grain producing states and hold discussions with them on the formation of an interstate grain compact.

(b) Draw up legislation with other grain producing states that can be jointly

enacted establishing an interstate grain compact. The proposed legislation shall:

(1) Seek to establish a minimum price for all major grains produced within the grain producing states that guarantees cost of production and a reasonable profit.

(2) Address problems of grain storage surplus, production controls, orderly marketing and other problems that may arise for farmers and other agricultural industries.

(3) Establish an interstate grain compact governing board and spell out the powers of the board in order to insure input by the member states and smooth operation of the grain compact.

Subd. 3. [COMMODITY PRICE PLAN; REPORT TO LEGISLATURE.] The commission shall develop a plan based on the provisions of subdivision 2 and consistent with long term agricultural goals for Minnesota. The plan shall be reported to the legislature no later than January 20, 1983.

Subd. 4. [STAFF.] The commission shall use existing legislative facilities and staff."

Page 3, line 36, delete "to 5" and insert "and 2"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "for" insert "the establishment of a legislative commission on farm commodity prices for"

Page 1, line 4, delete "by fixing a" and insert a period

Page 1, delete lines 5 to 7

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

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

S.F. No. 1763: A bill for an act relating to local government; establishing a board to implement and administer a plan for a segment of the Minnesota river in Blue Earth, Brown, Le Sueur, Nicollet, Redwood and Renville counties.

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

Page 1, line 8, after "POLICY" insert ";; DEFINITION"

Page 1, line 9, before "The" insert "Subdivision 1. [POLICY.]"

Page 1, after line 15, insert:

"Subd. 2. [DEFINITION.] For the purposes of sections 1 to 7, "counties" means the counties of Renville, Redwood, Brown, Nicollet, Blue Earth and Le Sueur, except as otherwise provided in section 7."

Page 1, line 19, before "The" insert "Except as otherwise provided in section 7,"

Page 1, line 21, before "appointed" delete the comma and insert ". The

members shall be"

Page 1, line 22, before the period, insert *"for a term of two years"*

Page 2, line 2, after the period, insert *"A majority of all members of the board constitutes a quorum and a majority vote of all members is required for the board to take any action pursuant to section 4."*

Page 2, line 8, delete everything after *"1981"*

Page 2, line 9, delete *"section 1 and"*

Page 2, line 10, delete *"this act"* and insert *"sections 1 to 6"*

Page 2, line 10, after *"adopt"* insert *"land use"*

Page 2, after line 15, insert:

"The board shall develop and establish a schedule for implementation and administration of the plan by the counties. The schedule shall be binding on the counties subject to approval by the governing bodies of the respective counties."

Page 2, line 28, delete *"ordinances"* and insert *"ordinance"*

Page 3, after line 28, insert:

"Sec. 5. [INCORPORATION AND ANNEXATION.]

When land subject to the comprehensive land use plan of the board is annexed, incorporated or otherwise subjected to the land use planning authority of a home rule charter or statutory city, a moratorium shall exist on all subdivision platting and building permits on that land until zoning regulations are adopted for that land which comply with the provisions of the comprehensive plan of the board. The moratorium shall also apply to construction, grading and filling, and vegetative cutting as those activities are defined in the comprehensive plan. This section does not apply to work done pursuant to lawful permits issued before the land became subject to the land use planning authority of the city.

Sec. 6. [BIENNIAL REPORT.]

During the first year of each biennial legislative session, the board shall prepare and present to the appropriate policy committees of the legislature a report concerning the actions of the board in exercising the authority granted by the legislature pursuant to sections 1 to 6. The report shall include an assessment of the effectiveness of the board's comprehensive land use plan and its implementation in protecting and enhancing the outstanding scenic, recreational, natural, historical, scientific and similar values of the Minnesota River and related shorelands situated within the member counties."

Page 3, delete lines 30 and 31 and insert:

"Sections 1 to 6 are effective in the"

Page 3, line 33, before the period, insert *"upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by all of those counties"*

Page 3, line 33, after the period, insert *"If any of the counties fail to comply with Minnesota Statutes, Section 645.021, Subdivision 3, by October 1, 1982, sections 1 to 6 shall not apply to that county and that portion of the Minnesota*

River and related shoreland areas within the areas subject to the plan lying within such county is designated under Minnesota Statutes, Section 104.35, Subdivision 4, and shall be managed in accordance with the plan known as "Project Riverbend Fifth Draft, June 1981" as provided in Minnesota Statutes, Sections 104.31 to 104.40."

Renumber the sections in sequence

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

SECOND READING OF SENATE BILLS

S.F. No. 1763 was read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 1555 was read the second time.

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. Benson introduced—

S.F. No. 2203: A bill for an act relating to health; exempting certain drivers of basic life support transportation vehicles from certain requirements; amending Minnesota Statutes 1980, Section 144.804, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Davis introduced—

S.F. No. 2204: A bill for an act relating to education; modifying the definition of teachers for the purpose of licensure; modifying the personnel licensed by the board of teaching and the state board of education; adding a vocational teacher to the board of teaching; requiring the board of teaching to take into consideration vocational education teacher licensure requirements adopted by the state board for vocational education; requiring that rules adopted by the board of teaching shall not affect the validity of certain vocational personnel or the rights and privileges of the holders; amending Minnesota Statutes 1980, Sections 125.03, Subdivision 1; 125.05, Subdivision 1; 125.183, Subdivision 3; 125.185, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 125; repealing Minnesota Statutes 1980, Section 125.03, Subdivision 4.

Referred to the Committee on Education.

Mr. Ulland introduced—

S.F. No. 2205: A bill for an act relating to public welfare; altering eligibility

standards for medical assistance for certain persons; amending Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1, as amended.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Tennesen; Peterson, R.W.; Davies; Merriam and Peterson, D.L. introduced—

S.F. No. 2206: A bill for an act relating to data privacy; establishing standards and procedures for the release of financial information; proposing new law coded in Minnesota Statutes, Chapter

Referred to the Committee on Judiciary.

Messrs. Tennesen; Merriam; Davies; Peterson, D.L. and Peterson, R.W. introduced—

S.F. No. 2207: A bill for an act relating to data privacy; establishing standards and procedures relating to the release of insurance data; proposing new law coded in Minnesota Statutes, Chapter

Referred to the Committee on Judiciary.

Mr. Davis introduced—

S.F. No. 2208: A bill for an act relating to commerce; regulating the substitution of certain fuels sold; requiring the grading and labeling of gasoline; defining a term; prescribing penalties; amending Minnesota Statutes 1980, Sections 325E.01; 325E.09, Subdivisions 3 and 4; proposing new law coded in Minnesota Statutes, Chapter 325E; repealing Minnesota Statutes 1980, Section 325E.09, Subdivisions 4a to 8.

Referred to the Committee on Commerce.

Mr. Willet introduced—

S.F. No. 2209: A bill for an act relating to the county attorneys council; providing for the disposition of its records and equipment.

Referred to the Committee on Finance.

Messrs. Willet, Humphrey, Stern and Solon introduced—

S.F. No. 2210: A bill for an act relating to transportation; appropriating funds for matching federal funds for continuance of Amtrak service between the Twin Cities and Duluth.

Referred to the Committee on Finance.

Messrs. Davies; Peterson, C.C.; Bernhagen and Merriam introduced—

S.F. No. 2211: A bill for an act relating to taxation; providing that Minnesota itemized deductions shall be federal itemized deductions with certain modifications; amending Minnesota Statutes 1980, Section 290.07, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivision 19; 290.077, Subdivision 2; 290.09, Subdivisions 1, 2, 3, as

amended, 4, 5, and 6; 290.14; 290.18, Subdivisions 1 and 2; 290.21, Subdivisions 1 and 3; 290.23, Subdivision 5; 290.31, Subdivisions 2 and 3; 290.39, Subdivision 2; 290.92, Subdivision 2a; 290A.16; proposing new law coded in Minnesota Statutes, Chapter 290; repealing Minnesota Statutes 1980, Section 290.09, Subdivisions 22 and 27; Minnesota Statutes 1981 Supplement, Sections 290.09, Subdivisions 10 and 15; 290.21, Subdivisions 3a and 7.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Petty and Knoll introduced—

S.F. No. 2212: A resolution memorializing the President of the United States and the Administrator of the Federal Aviation Administration against any attempt to prohibit local governments from restricting aircraft noise.

Referred to the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Dicklich moved that his name be stricken as a co-author to S.F. No. 1579. The motion prevailed.

Mr. Petty moved that his name be stricken as a co-author to S.F. No. 1579. The motion prevailed.

Mr. Tennessen moved that H.F. No. 1469 be withdrawn from the Committee on Commerce and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 1449. The motion prevailed.

Mr. Tennessen moved that H.F. No. 716 be withdrawn from the Committee on Commerce and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 784. The motion prevailed.

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. Peterson, R. W. in the chair.

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

S.F. No. 1336, which the committee recommends to pass.

S.F. No. 1710, which the committee recommends be returned to the Committee on Transportation.

H.F. No. 2050, which the committee recommends to pass with the following amendment offered by Mr. Luther:

Page 1, line 15, delete "*usual*" and insert "*usually accepted business*"

The motion prevailed. So the amendment was adopted.

On motion of Mr. Peterson, R.W., the report of the Committee of the

Whole, as kept by the Secretary, was adopted.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 7:15 p.m. The motion prevailed.

The hour of 7:15 p.m. having arrived, the President called the Senate to order.

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.

MOTIONS AND RESOLUTIONS - CONTINUED

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1555 a Special Order to be heard immediately.

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 2; 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.

Mr. Dieterich moved to amend H. F. No. 1555 the unofficial engrossment, as follows:

Page 68, strike lines 2 and 3

Page 68, line 4, strike "(p)" and insert "(o)"

Page 68, line 5, strike "(q)" and insert "(p)"

Page 68, line 7, strike "(r)" and insert "(q)"

The motion prevailed. So the amendment was adopted.

Mr. Peterson, D. L. moved to amend H. F. No. 1555 the unofficial engrossment, as follows:

Page 63, after line 17, insert:

"Sec. 31. [UNREQUESTED LEAVE OF ABSENCE.]

The department of education shall evaluate existing law and state board rules governing supervisory and administrative personnel and shall assess whether these laws and rules have resulted in disproportionately small numbers of supervisory and administrative personnel being placed on unrequested leaves of absence, as compared with instructional personnel. The department may recommend changes in law or rule as necessary to insure an equitable balance in placing district personnel on unrequested leaves of absence, which may include consolidation of administrative positions."

Page 63, line 18, delete "31" and insert "32"

Page 63, line 23, delete "32" and insert "33"

Page 63, line 24, after "30" insert "31,"

Page 63, line 24, delete "31" and insert "32"

The motion prevailed. So the amendment was adopted.

Mr. Rued moved to amend H. F. No. 1555 the unofficial engrossment, as follows:

Page 36, after line 11, insert:

"Sec. 7. [PAYMENT OF INTEREST.]

The state shall pay interest on any state aids, payments, reimbursements or fund transfers suspended pursuant to Laws 1981, Third Special Session Chapter 2, Article II, Section 13 and which have not been repaid by April 15, 1982. Interest shall begin to accrue on April 15, 1982 and shall be calculated on a daily basis as simple interest on any balance remaining unpaid at a rate equal to the rate of interest on the most recent sale of certificates of indebtedness by the commissioner of finance prior to April 15, 1982, pursuant to Minnesota Statutes 1981 Supplement, Section 16A.671."

Page 36, line 12, delete "7" and insert "8"

Page 36, line 15, delete "8" and insert "9"

Page 36, line 16, after "3" insert ", 7"

Page 36, line 16, delete "7" and insert "8"

CALL OF THE SENATE

Mr. Ashbach imposed a call of the Senate for the balance of the proceedings on H.F. No. 1555. The Sergeant at Arms was instructed to bring in the absent members.

The question recurred on the Rued amendment.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 34, as follows:

Those who voted in the affirmative were:

Ashbach	Berg	Frederick	Kronebusch	Renneke
Bang	Bernhagen	Frederickson	Lindgren	Rued
Belanger	Brataas	Kamrath	Peterson, D.L.	Sieloff
Benson	Engler	Knutson	Ramstad	

Those who voted in the negative were:

Berglin	Humphrey	Menning	Penny	Stokowski
Bertram	Johnson	Merriam	Peterson, C.C.	Stumpf
Dahl	Knoll	Moe, D. M.	Peterson, R.W.	Tennessee
Davies	Kroening	Moe, R. D.	Purfeerst	Vega
Dicklich	Langseth	Nelson	Schmitz	Waldorf
Dieterich	Lantry	Olhoft	Setzepfandt	Willet
Frank	Luther	Pehler	Sikorski	

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

Mr. Renneke moved to amend H. F. No. 1555 the unofficial engrossment, as follows:

Page 34, delete sections 1 and 2

Renumber the sections of Article IV in sequence

Amend the title as follows:

Page 1, line 9, delete "123.32, Subdivision 1 and by adding a"

Page 1, line 10, delete "subdivision;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 22 and nays 37, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Mr. Lindgren moved to amend H.F. No. 1555 the unofficial engrossment, as follows:

Page 36, delete lines 7 to 11 and insert:

“Sec. 6. [FUND TRANSFER AUTHORIZED.]

Notwithstanding the provisions of Minnesota Statutes, Section 121.912, or any other law to the contrary, a school board may transfer unappropriated money in its capital expenditure fund to its general fund. The board may transfer an amount not to exceed the sum of a district's aid reduction pursuant to Laws 1981, Third Special Session, Chapter 2, Article II, Section 2; and any additional reduction made pursuant to section 16A.15, as amended by Laws 1981, Third Special Session, Chapter 2, Article II, Section 3, which the district receives before June 30, 1983. The transfer shall be made before June 30, 1983.”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 35, as follows:

Those who voted in the affirmative were:

Ashbach	Bernhagen	Frederickson	Lindgren	Rued
Bang	Brataas	Kamrath	Peterson, D. L.	Sieloff
Belanger	Dahl	Knutson	Purfeerst	Taylor
Benson	Engler	Kronebusch	Ramstad	Ulland
Berg	Frederick	Lessard	Renneke	

Those who voted in the negative were:

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

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

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H. F. No. 1555 and that the rules of the Senate be so far suspended as to give H. F. No. 1555, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

H.F. No. 1555 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 53 and nays 7, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Benson	Frederickson	Lindgren	Peterson, D. L.	Renneke
Davis	Knutson			

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

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Reports of Committees and Second Reading of Senate Bills.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports on the desk be now adopted. The motion prevailed.

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

S.F. No. 2082: A bill for an act relating to taxation; adjusting the distribution of the production tax to certain taxing jurisdictions; amending Minnesota Statutes 1981 Supplement, Section 298.28, Subdivision 1.

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

Page 1, after line 7, insert:

“ARTICLE I: UPDATE

Section 1. Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 2, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term “gross income,” as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source; except that gross income shall not include “exempt function income” of a “homeowners association” as those terms are defined in Section 528 of the Internal Revenue Code of 1954, as amended through December 31, 1980.

The term “gross income” in its application to individuals, estates, and trusts shall mean the adjusted gross income as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable

taxable year, with the modifications specified in this subdivision. For estates and trusts the adjusted gross income shall be their federal taxable income as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this subdivision and with the modification that the federal deduction for personal exemptions for trusts and estates shall not be allowed.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1976, including the amendments made to section 280A (relating to licensed day care centers) in H.R. 3477 as it passed the Congress on May 16, 1977, shall be in effect for the taxable years beginning after December 31, 1976. The provisions of the Tax Reform Act of 1976, P.L. 94-455, which affect adjusted gross income shall become effective for purposes of this chapter at the same time they become effective for federal income tax purposes. Section 207 (relating to extension of period for nonrecognition of gain on sale or exchange of residence) and section 402 (relating to time for making contributions to pension plans of self employed people) of P.L. 94-12 shall be effective for taxable years beginning after December 31, 1974.

The provisions of section 4 of P.L. 95-458, sections 131, 133, 134, 141, 152, 156, 157, 405, and 543 of P.L. 95-600, and section 2 of P.L. 96-608 (relating to pensions, individual retirement accounts, deferred compensation plans, the sale of a residence and to conservation payments to farmers) including the amendments made to these sections in P.L. 96-222 shall be effective at the same time that these provisions became effective for federal income tax purposes.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1979, shall be in effect for taxable years beginning after December 31, 1979.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1980, and as amended by sections 302(b) and 501 to 509 of Public Law Number 97-34, shall be in effect for taxable years beginning after December 31, 1980 including the provisions of section 404 (relating to partial exclusions of dividends and interest received by individuals) of the Crude Oil Windfall Profit Tax Act of 1980, P.L. 96-223. The provisions of P.L. 96-471 (relating to installment sales) and sections 122, 123, 126, 213, 214, 251, 261, 264, 265, 311, 312, 313, 314, 321(a), 501 to 507, 811, and 812 of the Economic Recovery Tax Act of 1981, Public Law Number 97-34, and section 113 of Public Law Number 97-119 shall be effective at the same time that they become effective for federal income tax purposes.

(v) *The Internal Revenue Code of 1954, as amended through December 31, 1981, shall be in effect for taxable years beginning after December 31, 1981.*

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a

political subdivision of any other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) A business casualty loss if the taxpayer elected to deduct the loss on the current year's federal income tax return but had deducted the loss on the previous year's Minnesota income tax return;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under this chapter, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for the reimbursed expenditure resulted in a tax benefit;

(6) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for the previous taxable year. The amount of the federal income tax overpayment shall be reported only to the extent that the amount resulted in a reduction of the tax imposed by this chapter.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint, combined, or separate Minnesota income tax returns. In the case of combined or separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her combined or separate Minnesota income tax return for such previous taxable year;

(7) In the case of a change of residence from Minnesota to another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;

(8) The amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954 to the extent of the credit under section 38 of the Internal Revenue Code of 1954 that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (7);

(9) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(10) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101;

(11) The amount by which the gain determined pursuant to section 41.59, subdivision 2 exceeds the amount of such gain included in federal adjusted gross income;

(12) To the extent deducted in computing the taxpayer's federal adjusted gross income for the taxable year, losses recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(13) Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code of 1954, if the nonprofit corporation is domiciled outside of Minnesota;

(14) Exempt-interest dividends, as defined in section 852(b)(5)(A) of the Internal Revenue Code of 1954, not included in federal adjusted gross income pursuant to section 852(b)(5)(B) of the Internal Revenue Code of 1954, except for that portion of exempt-interest dividends derived from interest income on obligations of the state of Minnesota, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities;

(15) The amount of any excluded gain recognized by a trust on the sale or exchange of property as defined in section 641(c)(1) of the Internal Revenue Code of 1954;

(16) For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981, the amount allowed under section 167 of the Internal Revenue Code;

(17) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any gain, from the sale or other disposition of property having a lower adjusted basis for Minnesota income tax purposes than for federal income tax purposes. This modification shall not exceed the difference in basis. If the gain is considered a long term capital gain for federal income tax purposes, the modification shall be limited to 40 percent of the portion of the gain. This modification is limited to property that qualified for the energy credit contained in section 290.06, subdivision 14, and to property acquired in exchange for the release of the taxpayer's marital rights contained in section 290.14, clause (9);

(18) The amount of any loss from a source outside of Minnesota which is not allowed under section 290.17 including any capital loss or net operating loss carryforwards or carrybacks resulting from the loss;

(19) The amount of a distribution from an individual housing account which is to be included in gross income as required under section 290.08, subdivision 25;

(20) To the extent deducted in computing the taxpayer's federal adjusted gross income, interest, taxes and other expenses which are not allowed under section 290.10, clause (9) or (10);

(21) To the extent excluded from federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of contributions made by the city manager or administrator which is equal to the amount which would have been the city manager's or administrator's employee contribution pursuant to section 353.27, subdivision 2, if he were a member of the public employees retirement association; and

(22) For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of section 179 property within the meaning of the Internal Revenue Code of 1954, the amount allowed as a deduction under

~~section 179 of the Internal Revenue Code~~ *The deduction for two-earner married couples provided in section 221 of the Internal Revenue Code of 1954; and*

(23) Interest on all-savers certificates which is excluded under section 128 of the Internal Revenue Code of 1954.

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to 60 per centum of the portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of the securities but includible in gross income for federal income tax purposes;

(4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether the amount is received as a refund or credited to another taxable year's income tax liability;

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, or (ii) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954. The maximum amount of this subtraction shall be \$11,000 less the amount by which the individual's federal adjusted gross income, plus the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, exceeds \$17,000. In the case of a volunteer firefighter who receives an involuntary lump sum distribution of his

pension or retirement benefits, the maximum amount of this subtraction shall be \$11,000; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,000;

(7) The amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954 but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(8) To the extent included in the taxpayer's federal adjusted gross income for the taxable year, gain recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(9) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later;

(10) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed before January 1, 1986 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(11) The first \$3,000 of compensation for personal services in the armed forces of the United States or the United Nations, and the next \$2,000 of compensation for personal services in the armed forces of the United States or the United Nations wholly performed outside the state of Minnesota. This modification does not apply to compensation defined in clause (b)(6);

(12) The amount of any income earned for personal services rendered outside of Minnesota prior to the date when the taxpayer became a resident of Minnesota. This modification does not apply to compensation defined in clause (b)(6);

(13) In the case of wages or salaries paid or incurred on or after January 1, 1977, the amount of any credit for employment of certain new employees under sections 44B and 51 to 53 of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(14) In the case of work incentive program expenses paid or incurred on or after January 1, 1979, the amount of any credit for expenses of work incentive programs under sections 40, 50A and 50B of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(15) Unemployment compensation to the extent includible in gross income for federal income tax purposes under section 85 of the Internal Revenue Code of 1954;

(16) To the extent included in federal adjusted gross income, severance pay that may be treated as a lump sum distribution under the provisions of section

290.032, subdivision 5;

(17) The amount of any income or gain which is not assignable to Minnesota under the provisions of section 290.17;

(18) Minnesota exempt-interest dividends as provided by subdivision 27;

(19) A business casualty loss which the taxpayer elected to deduct on the current year's Minnesota income tax return but did not deduct on the current year's federal income tax return; and

(20) Income from the performance of personal or professional services which is subject to the reciprocity exclusion contained in section 290.081, clause (a);

(21) To the extent included in federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of payments from the deferred compensation program equivalent to the amount of contributions taxed under clause (a)(21);

(22) Contributions to and interest earned on an individual housing account as provided by section 290.08, subdivision 25;

(23) Interest earned on a contract for deed entered into for the ~~purchase~~ sale of property for agricultural use if the rate of interest set in the contract is no more than ~~eight~~ nine percent per year for the duration of the term of the contract. This exclusion shall be available only if (1) the purchaser is an individual who, together with his spouse and dependents, has a total net worth valued at less than \$150,000 and (2) the property ~~purchased~~ sold under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983;

(24) For the taxable year beginning after December 31, 1980, but before January 1, 1982, an amount equal to 85 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. For the taxable year beginning after December 31, 1981 but before January 1, 1983, 83 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. The depreciation adjustments made to basis in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981 shall be the depreciation adjustments made for federal income tax purposes under the Internal Revenue Code of 1954, as amended through December 31, 1981. Adoption of this provision

shall not be construed as indicating the intent of the legislature to enact provisions authorizing amortization of the amount of depreciation not excludable under this clause; and

(25) For taxable years beginning after December 31, 1980 but before January 1, 1983, an amount equal to the deduction allowed under section 179 of the Internal Revenue Code of 1954 as amended through December 31, 1981; and

(26) *The penalty on the early withdrawal of an all-savers certificate as provided in section 128(e) of the Internal Revenue Code of 1954 to the extent that the interest was included in income under clause (a)(23).*

(c) A modification affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954 shall be made.

In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under this chapter and at the close of the taxable year immediately preceding the effective election under this chapter the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that the reserve is distributed to shareholders the distribution shall be taxed as a dividend for purposes of this chapter.

(d) Amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that the amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that the amounts resulted in a reduction of the tax imposed by this chapter and amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this chapter.

(e) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1, clause (2) in computing Minnesota inheritance or estate tax liability shall not be allowed as a deduction (or as an offset against the sales price of property in determining gain or loss) in computing the taxable income of the estate or any person unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have the amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 2. Minnesota Statutes 1980, Section 290.067, Subdivision 1, is amended to read:

Subdivision 1. [AMOUNT OF CREDIT.] A taxpayer may take as a credit against the tax due from him and his spouse, if any, under this chapter an amount equal to the dependent care credit for which he is eligible pursuant to the provisions of section 44A of the Internal Revenue Code of 1954, as amended through December 31, ~~1979~~ 1981, *except that the applicable percentage of the employment-related expenses shall be 20 percent and subject to the other limitations provided in subdivision 2.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 7, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 8, is amended to read:

Subd. 7. [DEPRECIATION.] (A) [CUMULATIVE DEPRECIATION.] (a) There shall be allowed as a depreciation deduction a reasonable allowance for the exhaustion, wear and tear (including a reasonable allowance for obsolescence):

- (1) of property used in the trade or business, or
- (2) of property held for the production of income.

(b) The term "reasonable allowance" as used in clause (a) shall include (but shall not be limited to) an allowance computed in accordance with regulations prescribed by the commissioner, under any of the following methods:

- (1) the straight line method.
- (2) the declining balance method, using a rate not exceeding twice the rate which would have been used had the annual allowance been computed under the method described in paragraph (1).
- (3) the sum of the years-digits method, and
- (4) any other consistent method productive of an annual allowance, which, when added to all allowances for the period commencing with the taxpayer's use of the property and including the taxable year, does not, during the first two-thirds of the useful life of the property, exceed the total of such allowances which would have been used had such allowances been computed under the method described in (2). Nothing in this clause (b) shall be construed to limit or reduce an allowance otherwise allowable under clause (a).

(c) For purposes of this subdivision "reasonable allowance" shall not include the accelerated cost recovery system provisions of section 168 of the Internal Revenue Code of 1954, as amended through December 31, 1981, except as provided in this subdivision unless specifically authorized by legislation enacted after the final enactment of this section. In the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954, as amended through December 31, 1981, the term "reasonable allowance" as used in clause (a) shall mean 85 percent of the deduction allowed pursuant to section 168 of the Internal Revenue Code of 1954 for taxable years beginning after December 31, 1980 and before January 1, 1982; and 83 percent of the deduction allowed pursuant to section 168 of the Internal Revenue Code of 1954 for taxable years beginning after December 31, 1981 and before January 1, 1983.

(d) Paragraphs (2), (3), and (4) of clause (b) shall apply only in the case of property (other than intangible property) described in clause (a) with a useful

life of three years or more.

(1) the construction, reconstruction, or erection of which is completed after December 31, 1958, and then only to that portion of the basis which is properly attributable to such construction, reconstruction, or erection after December 31, 1958, or

(2) acquired after December 31, 1958, if the original use of such property commenced with the taxpayer and commences after such date.

(e) Where, under regulations prescribed by the commissioner, the taxpayer and the commissioner have, after June 30, 1959, entered into an agreement in writing specifically dealing with the useful life and rate of depreciation of any property, the rate so agreed upon shall be binding on both the taxpayer and the commissioner in the absence of facts or circumstances not taken into consideration in the adoption of such agreement. The responsibility of establishing the existence of such facts and circumstances shall rest with the party initiating the modification. Any change in the agreed rate and useful life specified in the agreement shall not be effective for taxable years before the taxable year in which notice in writing by certified mail is served by the party to the agreement initiating such change.

(f) In the absence of an agreement under clause ~~(d)~~ (e) containing a provision to the contrary, a taxpayer may at any time elect in accordance with regulations prescribed by the commissioner to change from the method of depreciation prescribed in clause (b) (2) to the method described in clause (b) (1).

(g) The basis on which exhaustion, wear and tear, and obsolescence are to be allowed in respect of any property shall be the adjusted basis provided in sections ~~290.131 to 290.139, 290.14 and 290.15~~ *this chapter* for the purpose of determining the gain on the sale or other disposition of such property except that in the case of recovery property within the meaning of section 168 of the Internal Revenue Code as amended through December 31, 1981, for taxable years beginning after December 31, 1980 but before January 1, 1983, the depreciation adjustment to basis shall be the same as the depreciation adjustments under the Internal Revenue Code of 1954 as amended through December 31, 1981.

(h) In the case of property held by one person for life with remainder to another person, the deduction shall be computed as if the life tenant were the absolute owner of the property and shall be allowed to the life tenant. In the case of property held in trust the allowable deduction shall be apportioned between the income beneficiary and the trustee in accordance with the pertinent provisions of the instrument creating the trust, or, in the absence of such provisions, on the basis of the trust income allocable to each. In the case of an estate, the allowable deduction shall be apportioned between the estate and the heirs, legatees, and devisees on the basis of the income of the estate allocable to each.

(i) In the case of buildings or other structures or improvements constructed or made on leased premises by a lessee, and the fixtures and machinery therein installed, the lessee alone shall be entitled to the allowance of this deduction.

(B) [FIRST YEAR DEPRECIATION.] (a) In the case of section 1 property, the term "reasonable allowance" as used in subdivision 7, may, at the election of the taxpayer, include an allowance, for the first taxable year for which a

deduction is allowable under subdivision 7, to the taxpayer with respect to such property, of 20 percent of the cost of such property. For taxable years beginning after December 31, 1980 and before January 1, 1983, in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954, as amended through December 31, 1981, the first year depreciation allowance *the taxpayer shall be allowed the allowance for federal income tax purposes provided* under section 179 of the Internal Revenue Code of 1954, as amended through December 31, 1981.

(b) If in any one taxable year the cost of section 1 property with respect to which the taxpayer may elect an allowance under (a) for such taxable year exceeds \$10,000, then (a) shall apply with respect to those items selected by the taxpayer, but only to the extent of an aggregate cost of \$10,000. In the case of a husband and wife who file a joint return under section 290.38 for the taxable year, the limitation under the preceding sentence shall be \$20,000 in lieu of \$10,000.

(c) (1) The election under this subdivision for any taxable year shall be made within the time prescribed by law (including extensions thereof) for filing the return for such taxable year. The election shall be made in such manner as the commissioner may by regulations prescribe.

(2) Any election made under this subdivision may not be revoked except with the consent of the commissioner.

(d) (1) For purposes of this subdivision, the term "Section 1 property" means tangible personal property (excluding buildings and structures)

(A) of a character subject to the allowance for depreciation under subdivision 7.

(B) acquired by purchase after December 31, 1958, for use in a trade or business or for holding for production of income, and

(C) with a useful life (determined at the time of such acquisition) of six years or more.

(2) For purposes of paragraph (1), the term "purchase" means any acquisition of property, but only if

(A) the property is not acquired from a person whose relationship to the person acquiring it would result in the disallowance of losses under section 290.10(6),

(B) the property is not acquired by one component member of a controlled group from another component member of the same controlled group, and

(C) the basis of the property in the hands of the person acquiring it is not determined

(i) in whole or in part by reference to the adjusted basis of such property in the hands of the person from whom acquired, or

(ii) under section 290.14(4) (relating to property acquired from a decedent).

(3) For purposes of this subdivision, the cost of property does not include so much of the basis of such property as is determined by reference to the basis of other property held at any time by the person acquiring such property.

(4) This subdivision shall not apply to trusts.

(5) In the case of an estate, any amount apportioned to an heir, legatee, or devisee shall not be taken into account in applying (B) of this subdivision to section 1 property of such heir, legatee, or devisee not held by such estate.

(6) For purposes of (B) of this subdivision

(A) all component members of a controlled group shall be treated as one taxpayer, and

(B) the commissioner shall apportion the dollar limitation contained in such (B) among the component members of such controlled group in such manner as he shall by regulations prescribe.

(7) For purposes of paragraphs (2) and (6), the term "controlled group" has the meaning assigned to it by section 1563(a) of the Internal Revenue Code of 1954, as amended through December 31, 1979, except that, for such purposes, the phrase "more than 50 percent" shall be substituted for the phrase "at least 80 percent" each place it appears in section 1563(a)(1) of the Internal Revenue Code of 1954, as amended through December 31, 1979.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 29, is amended to read:

Subd. 29. [DEDUCTIONS ATTRIBUTABLE TO FARMING.] (a) [DEFINITIONS.] For purposes of this subdivision, income and gains and expenses and losses shall be considered as "arising from a farm" if such items are received or incurred in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and fur-bearing animals and wildlife, and all operations incident thereto, including but not limited to the common use of "hedging".

(b) [DEDUCTIONS LIMITED.] Except as provided in this subdivision, expenses and losses, except for interest and taxes, arising from a farm shall not be allowed as deductions in excess of income and gains arising from a farm.

(c) [DEDUCTIONS ALLOWED; CARRYOVER DEDUCTIONS.] ~~For taxable years beginning on or after January 1, 1974,~~ Expenses and losses arising from a farm or farms shall be allowed as deductions up to the amount of the income and gains arising from a farm or farms in any taxable year, plus the first \$15,000 of non-farm gross income, or non-farm taxable net income in the case of a corporation, provided however that in any case where non-farm income exceeds \$15,000, the maximum allowable amount of \$15,000 shall be reduced by twice the amount by which the non-farm income exceeds the amount of \$15,000. For this purpose and for the purpose of applying the limitation in the following paragraph regarding the application of any carryback or carryforward, the term gross income shall include the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, as amended through December 31, 1980, *and no deduction shall be allowed for two-earner married couples as provided in section 221 of the Internal Revenue Code of 1954, as amended through December 31, 1981.* Any remaining balance of the deductions shall be carried back three years and carried forward five years, in chronological order, provided, however, that in any case in which any individual, estate or trust which elects a net operating loss carryforward under section 172(b)(3)(C) of the

Internal Revenue Code of 1954, as amended through December 31, 1980, such losses shall not be carried back but shall only be carried forward.

Current expenses and losses shall be utilized as deductions in any taxable year, to the extent herein allowable, prior to the application of any carryback or carryover deductions. In any event, the combined amounts of such current expenses and losses and carryback or carryover deductions shall be allowed as deductions up to the amount of the income and gains arising from a farm or farms in any taxable year, plus the first \$15,000 of non-farm gross income, or non-farm taxable net income in the case of a corporation, provided however that in any case where non-farm income exceeds \$15,000, the maximum allowable amount of \$15,000 shall be reduced by twice the amount by which the non-farm income exceeds the amount of \$15,000.

(d) [SHAREHOLDERS SEPARATE ENTITIES.] For purposes of this subdivision, individual shareholders of an electing small business corporation shall be considered separate entities.

(e) [SPECIAL PERIOD OF LIMITATION WITH RESPECT TO FARM LOSS LIMITATION CARRYBACKS.] For the purposes of sections 290.46 and 290.50, if the claim for refund relates to an overpayment attributable to a farm loss limitation carryback under this subdivision, in lieu of the period of limitation prescribed in sections 290.46 and 290.50, the period of limitation shall be that period which ends with the expiration of the 15th day of the 46th month (or the 45th month, in the case of a corporation) following the end of the taxable year of the farm loss which results in the carryback. ~~No deduction or refund shall be allowed on 1974 returns for farm losses which have been previously carried back to earlier years and for which a tax refund or reduction has been allowed.~~

(f) [INTEREST ON CLAIMS.] In any case in which a taxpayer is entitled to a refund in a carryback year due to the carryback of a farm loss, interest shall be computed only from the end of the taxable year in which the loss occurs.

(g) [ORDER OF APPLICATION.] The application of this subdivision shall be made after applying any limitation to out of state losses contained in section 290.17.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 290.091, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 9, is amended to read:

290.091 [MINIMUM TAX ON PREFERENCE ITEMS.]

In addition to all other taxes imposed by this chapter there is hereby imposed, a tax which, in the case of a resident individual, shall be equal to 40 percent of the amount of the taxpayer's minimum tax liability for tax preference items pursuant to the provisions of sections 55 to 58 and 443(d) of the Internal Revenue Code of 1954 as amended through December 31, 1980 except that for purposes of the tax imposed by this section, capital gain as defined in section 57(a) of the Internal Revenue Code shall not include that portion of any gain occasioned by sale, transfer or the granting of a perpetual easement pursuant to any eminent domain proceeding or threat thereof as described in section 290.13, subdivision 5. This modification shall apply to the years in which the gain or reduction in loss is actually included in federal adjusted gross income even though amounts received pursuant to the eminent domain pro-

ceedings were received in prior years. In the case of a resident individual, having preference items which could not be taken to reduce income from sources outside the state pursuant to section 290.17, subdivision 1, or any other taxpayer the tax shall equal 40 percent of that federal liability, multiplied by a fraction the numerator of which is the amount of the taxpayer's preference item income allocated to this state pursuant to the provisions of sections 290.17 to 290.20, and the denominator of which is the taxpayer's total preference item income for federal purposes.

For property placed in service after December 31, 1980, the preference item contained in section 57 (a)(12) of the Internal Revenue Code of 1954, as amended through December 31, 1981, does not apply.

Sec. 6. Minnesota Statutes 1980, Section 290.16, Subdivision 15, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 11, is amended to read:

Subd. 15. [GAIN FROM DISPOSITIONS OF CERTAIN DEPRECIABLE PROPERTY.] For purposes of this subdivision "depreciable property" shall mean "Section 1245 property" as that phrase is defined in Section 1245(a) (3) of the Internal Revenue Code of 1954, as amended through December 31, ~~1979~~ 1981.

In determining net income of any corporate taxpayer, the gain realized from the disposition of "depreciable property" shall be treated in the same manner as is provided by Section 1245 of the Internal Revenue Code of 1954, as amended through December 31, ~~1979~~ 1981 and regulations adopted pursuant thereto except that the determination shall be made using the basis computed under this chapter.

Sec. 7. Minnesota Statutes 1980, Section 290.16, Subdivision 16, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 12, is amended to read:

Subd. 16. [GAIN FROM DISPOSITION OF CERTAIN DEPRECIABLE REALTY.] For purposes of this subdivision "depreciable realty" shall mean "Section 1250 realty" as that phrase is defined in Section 1250(c) of the Internal Revenue Code of 1954, as amended through December 31, ~~1979~~ 1981.

In determining net income of any corporate taxpayer, the gain realized from the disposition of "depreciable realty" shall be treated in the same manner as is provided by Section 1250 of the Internal Revenue Code of 1954, as amended through December 31, ~~1979~~ 1981, and regulations adopted pursuant thereto except that the determination shall be made using the basis computed under this chapter.

Sec. 8. Minnesota Statutes 1981 Supplement, Section 290.92, Subdivision 15, is amended to read:

Subd. 15. [PENALTIES.] (1) If any tax required to be deducted and withheld under subdivision 2a or subdivision 3, or any portion thereof, is not paid to or deposited with the commissioner within the time specified in subdivision 6 for the payment thereof, there shall be added thereto a penalty equal to ten percent of the amount so remaining unpaid. Such penalty shall be collected as part of said tax, and the amount of said tax not timely paid, together with said

penalty, shall bear interest at the rate specified in section 270.75 from the time such tax should have been paid or deposited until paid. Where an extension of time for payment has been granted under the provisions of subdivision 6, interest shall be paid at the rate specified in section 270.75 from the date when such payment or deposit should have been made if no extension had been granted, until such tax is paid. If payment is not made at the expiration of the extended period the penalties provided in this subdivision shall apply.

(2) In the case of any failure to withhold a tax on wages, make and file quarterly returns or make payments to or deposits with the commissioner of amounts withheld, as required by this section, within the time prescribed by law, unless it is shown that such failure is not due to wilful neglect, there shall be added to the tax in lieu of the penalty provided in paragraph (1) a penalty equal to ten percent of the amount of tax that should have been properly withheld and paid over to or deposited with the commissioner if the failure is for not more than 30 days with an additional five percent for each additional 30 days or fraction thereof during which such failure continues, not exceeding 25 percent in the aggregate. The amount of the tax together with this amount shall bear interest at the rate specified in section 270.75 from the time the tax should have been paid until paid. The amount so added to the tax shall be collected at the same time and in the same manner and as a part of the tax unless the tax has been paid before the discovery of the negligence, in which case the amount so added shall be collected in the same manner as the tax.

(3) If any employer required to withhold a tax on wages, make deposits, make and file quarterly returns and make payments to the commissioner of amounts withheld, as required by sections 290.92 to 290.97, wilfully fails to withhold such a tax or make such deposits, files a false or fraudulent return, wilfully fails to make such a payment or deposit, or wilfully attempts in any manner to evade or defeat any such tax or the payment or deposit thereof, there shall also be imposed on such employer as a penalty an amount equal to 50 percent of the amount of tax (less any amount paid or deposited by such employer on the basis of such false or fraudulent return or deposit) that should have been properly withheld and paid over or deposited with the commissioner. The amount of the tax together with this amount shall bear interest at the rate specified in section 270.75 from the time the tax should have been paid until paid. The penalty imposed by this paragraph shall be collected as a part of the tax, and shall be in addition to any other penalties civil and criminal, prescribed by this subdivision.

(4) If any person required under the provisions of subdivision 7 to furnish a statement to an employee or payee and a duplicate statement to the commissioner, or to furnish a reconciliation of such statements (and quarterly returns) to the commissioner, wilfully furnishes a false or fraudulent statement to an employee or payee or a false or fraudulent duplicate statement or reconciliation of statements (and quarterly returns) to the commissioner, or wilfully fails to furnish a statement or such reconciliation in the manner, at the time, and showing the information required by the provisions of subdivision 7, or regulations prescribed by the commissioner thereunder, there shall be imposed on such a person a penalty of \$10 for each such act or failure to act. The penalty imposed by this paragraph shall become due and payable within ten days after the mailing of a written demand therefor, and may be collected in the manner prescribed in subdivision 6(8).

(5) In addition to the penalties hereinbefore prescribed, any person required to withhold a tax on wages, make and file quarterly returns and make payments or deposits to the commissioner of amounts withheld, as required by this section, who wilfully fails to withhold such a tax or truthfully make and file such a quarterly return or make such a payment or deposit, shall be guilty of a gross misdemeanor.

(6) In lieu of any other penalty provided by law, except the penalty provided by paragraph (4), any person required under the provisions of subdivision 7 to furnish a statement of wages to an employee and a duplicate statement to the commissioner, who wilfully furnishes a false or fraudulent statement of wages to an employee or a false or fraudulent duplicate statement of wages to the commissioner, or who wilfully fails to furnish such a statement in the manner, at the time, and showing the information required by the provisions of subdivision 7, or regulations prescribed by the commissioner thereunder, shall be guilty of a gross misdemeanor.

(7) Any employee required to supply information to his employer under the provisions of subdivision 5, who wilfully fails to supply information thereunder which would require an increase in the tax to be deducted and withheld under subdivision 2a or subdivision 3, shall be guilty of a misdemeanor.

(8) The term "person," as used in this section, includes an officer or employee of a corporation, or a member or employee of a partnership, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.

(9) All payments received shall be credited first to penalties, next to interest, and then to the tax due.

(10) In addition to any other penalty provided by law, any employee who furnishes a withholding exemption certificate to his employer which the employee has reason to know contains a materially incorrect statement shall be liable to the commissioner of revenue for a penalty of ~~\$400~~ \$500 for each instance. The penalty shall be immediately due and payable and may be collected in the same manner as any delinquent income tax.

(11) In addition to any other penalty provided by law, any employer who fails to submit a copy of a withholding exemption certificate required by subdivision 5a, clause (1)(a), (1)(b), or (2) shall be liable to the commissioner of revenue for a penalty of \$50 for each instance. The penalty shall be immediately due and payable and may be collected in the manner provided in subdivision 6(8).

Sec. 9. Minnesota Statutes 1981 Supplement, Section 290.93, Subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT OF DECLARATION.] (1) Every individual shall, at the time prescribed in subdivision 5 of this section, make and file with the commissioner a declaration of his estimated tax for the taxable year if

(a) The gross income (as defined in section 290.01, subdivision 20) for the taxable year can reasonably be expected to exceed the gross income amounts set forth in section 290.37, subdivision 1 pertaining to the requirements for

making a return; and

(b) Such gross income can reasonably be expected to include more than \$500 from sources other than wages upon which a tax has been deducted and withheld under section 290.92, subdivision 2a or subdivision 3.

(2) If the individual is an infant or incompetent person, the declaration shall be made by his guardian.

(3) Notwithstanding the provisions of this section, no declaration is required if the estimated tax (as defined in subdivision 3) ~~can reasonably be expected to be~~ is less than ~~\$100~~ \$200 for taxable years beginning after December 31, 1981, \$300 for taxable years beginning after December 31, 1982, \$400 for taxable years beginning after December 31, 1983, and \$500 for taxable years beginning after December 31, 1984.

Sec. 10. Minnesota Statutes 1981 Supplement, Section 290.934, Subdivision 4, is amended to read:

Subd. 4. [EXCEPTION.] (a) Notwithstanding the provisions of the preceding subdivisions, the addition to the tax with respect to any underpayment of any installment shall not be imposed if the total amount of all payments of estimated tax made on or before the last date prescribed for the payment of such installment equals or exceeds the amount which would have been required to be paid on or before such date if the estimated tax were whichever of the following is the lesser

(1) The tax shown on the return of the corporation for the preceding taxable year, if a return showing a liability for tax was filed by the corporation for the preceding taxable year and such preceding year was a taxable year of 12 months.

(2) An amount equal to the tax computed at the rates applicable to the taxable year but otherwise on the basis of the facts shown on the return of the corporation for, and the law applicable to, the preceding taxable year.

(3) (A) An amount equal to the tax for the taxable year computed by placing on an annualized basis the taxable income:

(i) for the first two months of the taxable year, in the case of the installment required to be paid in the third month,

(ii) for the first two months or for the first five months of the taxable year, in the case of the installment required to be paid in the sixth month,

(iii) for the first six months or for the first eight months of the taxable year in the case of the installment required to be paid in the ninth month, and

(iv) for the first nine months or for the first 11 months of the taxable year, in the case of the installment required to be paid in the 12th month of the taxable year.

(B) For purposes of this paragraph, the taxable income shall be placed on an annualized basis by

(i) multiplying by 12 the taxable income referred to in subparagraph (A), and

(ii) dividing the resulting amount by the number of months in the taxable

year (2, 5, 6, 8, 9, or 11, as the case may be) referred to in subparagraph (A).

(b) Notwithstanding clause (a) (1) and (2), in the case of a large corporation, the addition to the tax with respect to any underpayment of any installment shall be imposed if the total amount of all payments of estimated tax made on or before the last date prescribed for the payment of the installment is less than the amount required to be paid on or before the date. The amount required to be paid as estimated tax for the taxable year shall in no event be less than ~~60 percent~~ *the applicable percentage* of (A) the tax shown on the return for the taxable year, or (B) if no return was filed, the tax for the year. The term "large corporation" means any corporation (or any predecessor corporation) which had taxable net income of \$1,000,000 or more for any taxable year during the testing period. The term "testing period" means the three taxable years immediately preceding the taxable year involved. *The term "applicable percentage" means 65 percent for taxable years beginning after April 30, 1982, 75 percent for taxable years beginning after December 31, 1982, and 80 percent for taxable years beginning after December 31, 1983.*

Sec. 11. Minnesota Statutes 1981 Supplement, Section 290A.03, Subdivision 3, is amended to read:

Subd. 3. [INCOME.] (1) "Income" means the sum of the following:

(a) federal adjusted gross income as defined in the Internal Revenue Code of 1954 as amended through December 31, ~~1980~~ 1981; and

(b) the sum of the following amounts to the extent not included in clause (a):

(i) additions to federal adjusted gross income as provided in Minnesota Statutes, Section 290.01, Subdivision 20, Clause (a)(1), (a)(3), (a)(9), (a)(14), ~~and (a)(15), and (a)(22);~~

(ii) all nontaxable income;

(iii) recognized net long term capital gains;

(iv) dividends and interest excluded from federal adjusted gross income under ~~section~~ sections 116 or 128 of the Internal Revenue Code of 1954;

(v) cash public assistance and relief;

(vi) any pension or annuity (including railroad retirement benefits, all payments received under the federal social security act, supplemental security income, and veterans benefits), which was not exclusively funded by the claimant or spouse, or which was funded exclusively by the claimant or spouse and which funding payments were excluded from federal adjusted gross income in the years when the payments were made;

(vii) nontaxable interest received from the state or federal government or any instrumentality or political subdivision thereof;

(viii) workers' compensation;

(ix) unemployment benefits;

(x) nontaxable strike benefits; and

(xi) the gross amounts of payments received in the nature of disability income or sick pay as a result of accident, sickness, or other disability, whether funded through insurance or otherwise. In the case of an individual who files an

income tax return on a fiscal year basis, the term "federal adjusted gross income" shall mean federal adjusted gross income reflected in the fiscal year ending in the calendar year.

(2) "Income" does not include

(a) amounts excluded pursuant to the Internal Revenue Code, Sections 101(a), 102, 117, and 121;

(b) amounts of any pension or annuity which was exclusively funded by the claimant or spouse and which funding payments were not excluded from federal adjusted gross income in the years when the payments were made;

(c) gifts from nongovernmental sources;

(d) surplus food or other relief in kind supplied by a governmental agency;

(e) relief granted under sections 290A.01 to 290A.20;

(f) child support payments received under a temporary or final decree of dissolution or legal separation; or

(g) federal adjusted gross income shall be reduced by wage or salary expense, or expense of work incentive programs which are not allowed as a deduction under provisions of section 280C of the Internal Revenue Code of 1954; or

(h) federal adjusted gross income shall be reduced by the amount of the penalty on the early withdrawal of an all-savers certificate as provided in section 128(e) of the Internal Revenue Code of 1954.

Sec. 12. [DIRECTION TO REVISOR.]

In the next edition of Minnesota Statutes, the revisor of statutes shall substitute the phrase "Internal Revenue Code of 1954, as amended through December 31, 1981" for the words "Internal Revenue Code of 1954, as amended through December 31, 1980" wherever the phrase occurs in chapter 290, except section 290.01, subdivision 20.

Sec. 13. [REPEALER.]

Minnesota Statutes 1980, Section 290.65, Subdivisions 2, 3, 4, 5, 6, and 7 are repealed.

Sec. 14. [EFFECTIVE DATE.]

Section 1 is effective for taxable years beginning after December 31, 1981, except as otherwise provided. In section 1, the repeal of the language concerning depreciation contained in clauses (a)(16), (a)(22), (b)(24), and (b)(25) and the enactment of new language in clause (a)(16) is effective for property placed in service after December 31, 1980, in taxable years ending after that date. Sections 3, 5, 6, and 7 are effective for property placed in service after December 31, 1980, in taxable years ending after that date, except as otherwise provided. Sections 2, 4, 9, 12, and 13 are effective for taxable years beginning after December 31, 1981. Section 8 is effective on May 1, 1982. Section 10 is effective for taxable years beginning after April 30, 1982. Section 11 is effective for claims based on rent paid in 1981 and subsequent years and property taxes payable in 1982 and subsequent years.

ARTICLE II: INCOME TAX DEDUCTION

Section 1. Minnesota Statutes 1981 Supplement, Section 290.18, Subdivision 2, is amended to read:

Subd. 2. [FEDERAL INCOME TAX PAYMENTS AND REFUNDS.] The adjusted gross income shall be computed by deducting from the gross income assignable to this state under section 290.17, the deduction for allowable federal income taxes determined under the provisions of sections 290.09, subdivision 4, 290.10 (8), (9) or (10), and 290.18.

This deduction shall be allowed to individuals, estates, or trusts (i) for taxable years beginning after December 31, 1980 in the taxable year to which the liability applies. Such liability includes the portion of self-employment tax allowed under section 290.10, clause (8). The self-employment tax must be deducted by the person who is deriving the income. When the federal tax liability is joint and several under the computation of a joint federal return of husband and wife, the federal tax liability of spouses filing separate Minnesota returns must be split between the spouses in the same ratio that the federal adjusted gross income of that spouse bears to the total federal adjusted gross income. *If the federal tax liability is joint and several under the computation of a joint federal return and the spouses elect to file separate Minnesota returns on a single form, the federal tax liability may be taken by either or divided between them as they elect.*

(ii) taxes paid for a taxable year beginning before January 1, 1981 shall be allowed as follows:

(1) Those taxes paid in a taxable year beginning before January 1, 1981, shall be claimed in the year in which the payment was made.

(2) Those paid in a taxable year beginning after December 31, 1980 shall be divided and deducted in equal installments reflected by the yearly periods beginning with the first day of the taxable year in which the payment was made and ending December 31, 1986.

(iii) In the case of a person who was self employed during all or a portion of the taxable year, the federal income tax liability for purposes of this section shall be increased by the self-employment tax allowed under section 290.10, clause (8).

(iv) If a taxpayer's federal tax liability is eventually not paid by reason of compromise, discharge, or court order, the deduction allowed pursuant to this subdivision shall be disallowed for the taxable year in which the liability was accrued.

(v) In the event a federal tax liability for a taxable year commencing after December 31, 1980 is increased, decreased or modified, and such increase, decrease or modification has resulted in a change in the amount of Minnesota income tax in the year to which such increase, decrease or modification is attributable, the taxpayer's deduction under this section shall be modified for such year.

(vi) If the readjustments required in (iv) or (v) are for taxes reflected in the transition rule described in (ii)(2), the readjustment shall be made equally to the remaining installments and if a reduction to such installments is required under this readjustment which exceeds the total of all remaining installments, the remaining installments will be reduced to zero and the excess included in

income as a federal income tax refund.

(vii) Refunds which are not involved with any readjustments under the transition rule shall be included in income under section 290.01, subdivision 20, clause (a)(6) if it is from a year beginning before January 1, 1981.

(viii) Refunds of taxes for years beginning after December 31, 1980, shall be used to adjust the deduction in the taxable year of the liability unless that year is closed by statute and no other adjustments are to be required or allowable in which case such refund shall be reportable in the year received.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective for taxable years beginning after December 31, 1981.

ARTICLE III: UNITARY TAX

Section 1. Minnesota Statutes 1980, Section 290.095, is amended by adding a subdivision to read:

Subd. 11. [UNITARY BUSINESSES.] If a taxpayer takes a deduction for a net operating loss carryback which became deductible by the taxpayer as a consequence of the enactment of Laws 1981, Third Special Session Chapter 2, Article III, Sections 13 to 15, the taxpayer shall file amended returns for the years for which the net operating loss is claimed. The amended returns shall be filed as if the provisions of Laws 1981, Third Special Session Chapter 2, Article III, Sections 13 to 15, were in effect at that time.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 290.21, Subdivision 4, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 14, is amended to read:

Subd. 4. (a) 85 percent of dividends received by a corporation during the taxable year from another corporation, when the corporate stock with respect to which dividends are paid does not constitute the stock in trade of the taxpayer or would not be included in the inventory of the taxpayer, or does not constitute property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, or when the trade or business of the taxpayer does not consist principally of the holding of the stocks and the collection of the income and gains therefrom. The remaining 15 percent shall be allowed if the recipient owns 80 percent or more of all the voting stock of such other corporation, and the dividends were paid from income arising out of business done in this state by the corporation paying such dividends; but if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the remainder shall be allowed as a deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof; the burden shall be on the taxpayer of showing that the amount of remainder claimed as a deduction has been received from income arising out of business done in this state,

(b) if the trade or business of the taxpayer consists principally of the holding of the stocks and the collection of the income and gains therefrom, dividends received by a corporation during the taxable year from another corporation, if the recipient owns 80 percent or more of all the voting stock of such other

corporation, from income arising out of business done in this state by the corporation paying such dividends; but, if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the dividends shall be allowed as deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof. The burden shall be on the taxpayer of showing that the amount of dividends claimed as a deduction has been received from income arising out of business done in this state.

(c) The dividend deduction provided in this subdivision shall be allowed only with respect to dividends that are included in a corporation's Minnesota taxable net income for the taxable year.

(d) In the case of a corporation, which is permitted or required to file a combined report under section 290.34, subdivision 2, dividends shall be excluded from the income of the recipient to the extent the dividends are already included as income on the combined report. *If dividends received by a corporation that does not have nexus with Minnesota under the provisions of Public Law 86-272 are included as income on the return of an affiliated corporation permitted or required to file a combined report under section 290.34, subdivision 2, then for purposes of this subdivision the determination as to whether the trade or business of the corporation consists principally of the holding of stocks and the collection of income and gains therefrom shall be made with reference to the trade or business of the affiliated corporation having a nexus with Minnesota.*

Sec. 3. Laws 1981, Third Special Session Chapter 2, Article III, Section 22, is amended to read:

Sec. 22. [EFFECTIVE DATE.]

Sections 1 and 19 to 21 are effective February 1, 1982. The provision of section 2 relating to commodity tax straddles and section 7 are effective for taxable years beginning after December 31, 1980. The provisions of section 2 relating to the exclusion of dividend and interest income are effective for taxable years beginning after December 31, 1981. Section 2, clauses (a)(22), (b)(24), the portion of clause (a)(16) relating to recovery property, (b)(25), and sections 8, 11, and 12 are effective for property placed in service after December 31, 1980 in taxable years ending after that date. Section 2, clauses (a)(17), (b)(2), the portion of clause (a)(16) relating to gain from the sale or disposition of property and section 9 are effective for the sale or other disposition of property after June 30, 1982. Section 6 is effective for taxable years beginning after December 31, 1981. Section 10 is effective for the sale or other disposition of property after December 31, 1982. Sections 13, 14, and 15 are effective for ~~income earned after December 31, 1981~~ *taxable years beginning after June 30, 1981*. Section 16 is effective for taxable years beginning after December 31, 1981. Sections 17 and 18 are effective for petitions filed after January 31, 1982.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 2 are effective for taxable years beginning after June 30,

1981.

ARTICLE IV: RESEARCH AND DEVELOPMENT CREDIT

Section 1. Laws 1981, Third Special Session Chapter 2, Article III, Section 6, is amended to read:

Sec. 6. [290.068] [CREDIT FOR RESEARCH AND EXPERIMENTAL EXPENDITURES.]

Subdivision 1. [CREDIT ALLOWED.] In addition to the deduction provided in section 290.09 or 290.21, subdivision 3, a credit shall be allowed against the tax imposed by this chapter for the taxable year equal to ten percent of research and experimental expenditures paid or incurred in Minnesota during the taxable year.

(a) 12.5 percent of the first \$2 million of the excess (if any) of

(1) the qualified research expenses for the taxable year, over

(2) the base period research expenses; and

(b) 6.25 percent on all of such excess expenses over \$2 million.

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

(a) "Qualified research and experimental expenditures expenses" means expenditures incurred in Minnesota which qualify for the deduction provided in section 290.09, subdivision 18, to the extent the expenditures exceed the average of the three preceding taxable years' qualifying expenditures under section 290.09, subdivision 18, incurred in Minnesota. If the taxpayer has not conducted trade or business in Minnesota for the three preceding taxable years, the average expenditures incurred shall be determined by dividing the expenditures by the lesser number of complete prior taxable years. If there has been less than one prior taxable year of trade or business conducted in Minnesota the average expenditures for the three preceding taxable years shall be zero (i) qualified research expenses as defined in section 44F(b) and (e) of the Internal Revenue Code, except it shall not include expenses incurred for basic research conducted outside the state of Minnesota pursuant to section 44F(e); or (ii) contributions to a nonprofit corporation established and operated pursuant to the provisions of chapter 317 for the purpose of promoting the establishment and expansion of business in this state, provided the contributions are invested by the nonprofit corporation for the purpose of providing financing for small, technologically innovative enterprises in Minnesota during the early stages of their development; or (iii) contributions to Minnesota post-secondary educational institutions to be used to finance research intended to benefit businesses making use of new technologies.

(b) "Qualified research" means qualified research as defined in section 44F(d) of the Internal Revenue Code, except that the term shall not include qualified research conducted outside the state of Minnesota.

(c) "Base period research expenses" means base period research expenses as defined in section 44F(c) of the Internal Revenue Code, except that "December 31, 1981" shall be substituted for "June 30, 1981" in subparagraph (B) of paragraph (2).

(d) "Internal Revenue Code" means the Internal Revenue Code of 1954, as

amended through December 31, 1981.

Subd. 3. [LIMITATION; CARRYBACK AND CARRYOVER.] (a)(1) The credit for the taxable year shall not exceed \$300,000 or ten percent of the liability for tax, ~~whichever is less~~. "Liability for tax" for purposes of this section means the tax imposed under this chapter for the taxable year reduced by the sum of the credits allowed under section 290.06, except the credit allowed under section 290.06, subdivision 13.

(2) *In the case of an individual who*

(A) *owns an interest in an unincorporated business,*

(B) *is a partner in a partnership,*

(C) *is a beneficiary of an estate or trust, or*

(D) *is a shareholder in a small business corporation, having a valid election in effect under section 1372 of the Internal Revenue Code,*

the credit allowed for the taxable year shall not exceed the lesser of the amount determined under clause (1) for the taxable year or an amount (separately computed with respect to such person's interest in the trade or business or entity) equal to the amount of tax attributable to that portion of a person's taxable income which is allocable or apportionable to the person's interest in the trade or business or entity.

(b) *If the amount of the credit determined under subdivision 2 this section for any taxable year exceeds this the limitation under clause (a), the excess shall be a research credit carryback to each of the three preceding taxable years and a research credit carryover to each of the seven 15 succeeding taxable years, provided the aggregate of the credit for the taxable year and any carryover and carryback credits shall not exceed \$300,000 or ten percent of the liability for tax, whichever is less. The entire amount of the excess unused credit for the taxable year shall be carried first to the earliest of the taxable years to which the credit may be carried and then to each successive year to which the credit may be carried. The amount of the unused credit which may be added under this clause shall not exceed the taxpayer's liability for tax less the research credit for the taxable year.*

Subd. 4. [SMALL BUSINESS CORPORATIONS; PARTNERSHIPS.] *In the case of small business corporations, having a valid election in effect, under section 1372 of the Internal Revenue Code of 1954, estates and trusts, and partnerships, the credit shall be allocated in the same manner provided by section 44F(f)(2) of the Internal Revenue Code.*

Subd. 5. [ADJUSTMENTS; ACQUISITIONS AND DISPOSITIONS.] *If a taxpayer acquires or disposes of the major portion of a trade or business or the major portion of a separate unit of a trade or business in a transaction with another taxpayer, the taxpayers' qualified research expenses and base period shall be adjusted in the same manner provided by section 44F(f)(3) of the Internal Revenue Code, except that "December 31, 1980" shall be substituted for "June 30, 1980."*

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective for taxable years beginning after December 31, 1981.

ARTICLE V: ENERGY CREDITS

Section 1. Minnesota Statutes 1981 Supplement, Section 290.06, Subdivision 14, is amended to read:

Subd. 14. [RESIDENTIAL ENERGY CREDIT.] A credit of 20 percent of the first \$10,000 of renewable energy source expenditures, including the expenditures described in clauses (a), (b) and (d) if made by an individual taxpayer on a Minnesota building of six dwelling units or less and expenditures for biomass conversion equipment described in clause (c), may be deducted from the tax due under this chapter for the taxable year in which the expenditures were made. For purposes of this subdivision, the term "building" shall include a condominium or townhouse used by the taxpayer as a residence. In the case of qualifying expenditures incurred in connection with a building under construction by a contractor, the credit shall be deducted from the tax liability of the first individual to purchase the building for use as a principal residence or for residential rental purposes; the contractor shall not be eligible for the credit given pursuant to this subdivision for that expenditure.

A "renewable energy source expenditure" which qualifies shall include:

(a) Expenditures which qualify for the federal renewable energy source credit, pursuant to Section 44C of the Internal Revenue Code of 1954, as amended through December 31, 1980 1981, and any regulations promulgated pursuant thereto, provided that, after December 31, 1980, any solar collector included in the claimed expenditure is certified by the commissioner of energy, planning and development. A solar collector is a device designed to absorb incident solar radiation, convert it to thermal energy, and transfer the thermal energy to a fluid passing through or in contact with the device. "Solar collector" shall not include passive solar energy systems as defined in clause (d);

(b) Expenditures for earth sheltered dwelling units. For purposes of this credit, an "earth sheltered dwelling unit" shall mean a structure which complies with applicable building standards and which is constructed so that:

(1) 80 percent or more of the roof area is covered with a minimum depth of 12 inches of earth; and

(2) 50 percent or more of the wall area is covered with a minimum depth of 12 inches of earth; and

(3) Those portions of the structure not insulated with a minimum of seven feet of earth shall have additional insulation;

(c) Expenditures for biomass conversion equipment located in Minnesota which produces ethanol, methane or methanol for use as a gaseous or as a liquid fuel which is not offered for sale; and

(d) Expenditures for passive solar energy systems. For purposes of this credit, a "passive solar energy system" is defined to include systems which utilize elements of the building and its operable components to heat or cool a building with the sun's energy by means of conduction, convection, radiation, or evaporation. A passive system shall include:

(1) Collection aperture, including glazing installed in south facing walls and roofs; and

(2) Storage element, including thermal mass in the form of water, masonry, rock, concrete, or other mediums which is designed to store heat collected from

solar radiation.

A passive system may include either or both:

(1) Control and distribution element, including fans, louvers, and air ducts; or

(2) Retention element, including movable insulation used to minimize heat loss caused by nocturnal radiation through areas used for direct solar heat gain during daylight hours.

Eligible passive expenditures shall be for equipment, materials or devices that are an integral part of the components listed above and essential to the functioning of a passive design which qualifies pursuant to rules adopted by the commissioner of revenue in cooperation with the commissioner of energy, planning and development. Expenditures for equipment, materials, or devices which are a part of the normal heating, cooling, or insulation system of a building are not eligible for the credit.

If a credit was allowed to a taxpayer under this subdivision for any prior taxable year, the dollar amount of the maximum expenditure for which a taxpayer may qualify for a credit under this subdivision in subsequent years shall be \$10,000 reduced by the amount of expenditures which a credit was claimed pursuant to this subdivision in prior years. A taxpayer shall never be allowed to claim more than \$10,000 of expenditures during the duration of the renewable energy credit.

The credit provided in this subdivision shall not be allowed in a taxable year if the amount of the credit would be less than \$10.

If the credit allowable under this subdivision exceeds the amount of tax due in a taxable year, the excess credit shall not be refunded but may be carried forward to the succeeding taxable year and added to the credit allowable for that year. No amount may be carried forward to a taxable year beginning after December 31, 1984 1989.

A shareholder in a family farm corporation and each partner in a partnership operating a family farm shall be eligible for the credit provided by this subdivision in the same manner and to the same extent allowed a joint owner of property under section 44C (d) of the Internal Revenue Code of 1954, as amended through December 31, 1980 1981. "Family farm corporation" and "family farm" have the meanings given in section 500.24.

The credit provided in this subdivision is subject to the provisions of Section 44C, (c) (7) and (10), (d) (1) to (3), and (e), of the Internal Revenue Code of 1954, as amended through December 31, 1980 1981, and any regulations promulgated pursuant thereto.

The commissioner of revenue in cooperation with the commissioner of energy, planning and development shall adopt rules establishing additional qualifications and definitions for the credits provided in this subdivision.

Notwithstanding section 290.61, the commissioner of revenue may request the commissioner of energy, planning and development to assist in the review and auditing of the information furnished by the taxpayer for purposes of claiming this credit. The provisions of section 290.61 shall apply to employees of the department of energy, planning and development who receive informa-

tion furnished by a taxpayer for purposes of claiming this credit.

The commissioner of energy, planning and development shall adopt rules establishing the criteria for certification of solar collectors as required by clause (a). The criteria shall:

(1) Specify the testing procedures to be used in the evaluation of solar collectors;

(2) Establish minimum levels of collector quality for safety;

(3) Provide a means to determine the maintainability and structural integrity of solar collectors;

(4) Establish a system for evaluating and rating the thermal performance of solar collectors;

(5) Specify the procedures to follow to obtain certification of a solar collector;

(6) Conform to the maximum extent practicable to the solar collector certification requirements of other states which have adopted certification procedures; and

(7) Allow for individual variation so as not to hamper the development of innovative solar collectors.

The commissioner of energy, planning and development may adopt temporary rules pursuant to section 15.0412, subdivision 5 to establish this certification procedure.

This subdivision is effective for expenditures made during taxable years beginning after December 31, 1978 and before January 1, 1983 1986.

ARTICLE VI: LEVY LIMITS

Section 1. Minnesota Statutes 1981 Supplement, Section 275.50, Subdivision 2, is amended to read:

Subd. 2. [GOVERNMENTAL SUBDIVISION.] "Governmental subdivision" means ~~any~~ a county, home rule charter city, statutory city, or town ~~or special taxing district determined by the department of revenue~~ except a town that has a population of less than 2,500 according to the most recent federal census, provided that the population of an incorporated municipality located within the boundaries of a town is not included in the population of the town. The term does not include school districts ~~or the metropolitan transit commission created pursuant to section 473.404 or special taxing districts.~~

Sec. 2. Minnesota Statutes 1981 Supplement, Section 275.50, Subdivision 5, as amended by Laws 1981, Third Special Session Chapter 2, Article IV, Section 9, is amended to read:

Subd. 5. [SPECIAL LEVIES.] Notwithstanding any other law to the contrary for taxes levied in 1982 payable in 1983 and subsequent years, "special levies" means those portions of ad valorem taxes levied by governmental subdivisions to:

(a) satisfy judgments rendered against the governmental subdivision by a court of competent jurisdiction in any tort action, or to pay the costs of settlements out of court against the governmental subdivision in a tort action when substantiated by a stipulation for the dismissal of the action filed with the court of competent jurisdiction and signed by both the plaintiff and the legal representative of the governmental subdivision, but only to the extent of the increase in levy for such judgments and out of court settlements over levy year 1970, taxes payable in 1971;

(b) pay the costs of complying with any written lawful order initially issued prior to January 1, 1977 by the state of Minnesota, or the United States, or any agency or subdivision thereof, which is authorized by law, statute, special act or ordinance and is enforceable in a court of competent jurisdiction, or any stipulation agreement or permit for treatment works or disposal system for pollution abatement in lieu of a lawful order signed by the governmental subdivision and the state of Minnesota, or the United States, or any agency or subdivision thereof which is enforceable in a court of competent jurisdiction. The commissioner of revenue shall, in consultation with other state departments and agencies, develop a suggested form for use by the state of Minnesota, its agencies and subdivisions in issuing orders pursuant to this subdivision;

(c) pay the costs to a governmental subdivision for ~~their minimum required~~ its share of any program otherwise authorized by law, *including the administrative costs of social services but not administrative costs of public assistance programs or of county welfare systems*, for which matching funds have been appropriated by the state of Minnesota or the United States, ~~excluding the administrative costs of public assistance programs; to the extent of the increase in levy for the taxes payable year 1983 and subsequent years over the amount levied for the local share of the program for the taxes payable year 1971. This clause shall apply only to those programs or projects for which matching funds have been designated by the state of Minnesota or the United States on or before September 1, of the previous year and only when the receipt of these matching funds is contingent upon the initiation or implementation of the project or program during the year in which the taxes are payable or those programs or projects approved by the commissioner but only to the extent that the costs to the governmental subdivision for the program exceed those expended in calendar year 1970, subject to rules promulgated by the commissioner of revenue pursuant to sections 15.0411 to 15.052;~~

(d) pay the costs not reimbursed by the state or federal government, of payments made to or on behalf of recipients of aid under any public assistance program authorized by law; ~~and the costs of purchase or delivery of social services. Except for the costs of general assistance medical care under section 256D.03 and the costs of hospital care pursuant to section 261.21, the aggregate amounts levied pursuant to this clause are subject to a maximum increase of 18 percent over the amount levied for these purposes in the previous year;~~

(e) pay the costs of principal and interest on bonded indebtedness, or, ~~effective for taxes levied in 1973 and years thereafter,~~ to reimburse for the amount of liquor store revenues used to pay the principal and interest due in the year preceding the year for which the levy limit is calculated on municipal liquor store bonds;

(f) pay the costs of principal and interest on certificates of indebtedness, except tax anticipation or aid anticipation certificates of indebtedness, issued for any corporate purpose except current expenses or funding an insufficiency in receipts from taxes or other sources or funding extraordinary expenditures resulting from a public emergency;

(g) fund the payments made to the Minnesota state armory building commission pursuant to section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;

(h) provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;

(i) pay the amounts required to compensate for a decrease in mobile homes property tax receipts to the extent that the governmental subdivision's portion of the total levy in the current levy year, pursuant to section 273.13, subdivision 3, as amended, is less than the distribution of the mobile homes tax to the governmental subdivision pursuant to section 273.13, subdivision 3, in calendar year 1971;

(j) pay the amounts required, in accordance with section 275.075, to correct for a county auditor's error of omission in ~~levy year 1971 or a subsequent levy year~~, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(k) pay amounts required to correct for an error of omission in the levy certified to the appropriate county auditor or auditors by the governing body of a city or town with statutory city powers in a levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(l) pay the increased cost of municipal services as the result of an annexation or consolidation ordered by the Minnesota municipal board in ~~levy year 1971 or a subsequent levy year~~, but only to the extent and for the levy years as provided by the board in its order pursuant to section 414.01, subdivision 15. Special levies authorized by the board shall not exceed 50 percent of the levy limit base of the governmental subdivision and may not be in effect for more than three years after the board's order;

(m) pay the increased costs of municipal services provided to new private industrial and nonresidential commercial development, to the extent that the extension of such services are not paid for through bonded indebtedness or special assessments, and not to exceed the amount determined as follows. The governmental subdivision may calculate the aggregate of:

(1) The increased expenditures necessary in preparation for the delivering of municipal services to new private industrial and nonresidential commercial development, but limited to one year's expenditures one time for each such development;

(2) The amount determined by dividing the overall levy limitation established pursuant to sections 275.50 to 275.56, and exclusive of special levies

and special assessments, by the total taxable value of the governmental subdivision, and then multiplying this quotient times the total increase in assessed value of private industrial and nonresidential commercial development within the governmental subdivision. For the purpose of this clause, the increase in the assessed value of private industrial and nonresidential commercial development is calculated as the increase in assessed value over the assessed value of the real estate parcels subject to such private development as most recently determined before the building permit was issued. In the fourth levy year subsequent to the levy year in which the building permit was issued, the increase in assessed value of the real estate parcels subject to such private development shall no longer be included in determining the special levy.

The aggregate of the foregoing amounts, less any costs of extending municipal services to new private industrial and nonresidential commercial development which are paid by bonded indebtedness or special assessments, equals the maximum amount that may be levied as a "special levy" for the increased costs of municipal services provided to new private industrial and nonresidential commercial development. In the levy year following the levy year in which the special levy made pursuant to this clause is discontinued, one-half of the amount of that special levy made in the preceding year shall be added to the permanent levy base of the governmental subdivision;

(n) recover a loss or refunds in tax receipts incurred in non-special levy funds resulting from abatements or court action in the previous year pursuant to section 275.48;

(o) pay the amounts required by law to be paid to pay the interest on and to reduce the unfunded accrued liability of public pension funds in accordance with the actuarial standards and guidelines specified in sections 356.215 and 326.216 reduced for levy year 1977 and subsequent years by 106 percent of the amount levied for that purpose in 1976, payable in 1977. For the purpose of this special levy, the estimated receipts expected from the state of Minnesota pursuant to sections 69.011 to 69.031 or any other state aid expressly intended for the support of public pension funds shall be considered as a deduction in determining the required levy for the normal costs of the public pension funds. No amount of these aids shall be considered as a deduction in determining the governmental subdivision's required levy for the reduction of the unfunded accrued liability of public pension funds;

(p) pay the amounts allowed under section 174.27 to establish and administer a commuter van program;

(q) pay the costs of financial assistance to local governmental units and certain administrative, engineering, and legal expenses pursuant to Laws 1979, Chapter 253, Section 3;

(r) compensate for revenue lost as a result of abatements or court action pursuant to sections 270.07, 270.17 or 278.01 due to a reassessment ordered by the commissioner of revenue pursuant to section 270.16;

(s) pay the amounts required to compensate for a decrease in revenues from public service enterprises, municipal liquor stores, licenses, permits, fines and forfeits and no other, to the extent that the aggregate of revenues from these sources in the calendar year preceding the year of levy are less than the inflation adjusted aggregate of revenues from these sources in calendar year

1971. "Revenues" from a public service enterprise or a municipal liquor store means the net income or loss of the public service enterprise or municipal liquor store, determined by subtracting total expenses from total revenues, and before any contribution to or from the governmental subdivision. "Fines" for a municipal court means the net amount remaining after subtracting total municipal court expenses from total collections of municipal court fines. The "inflation adjusted aggregate of revenues in calendar year 1971" is the sum of (a) the aggregate of revenues received in calendar year 1971 multiplied by the total percentage increase in the consumer price index for the Minneapolis-St. Paul area from the calendar year 1971 to June of the levy year, and (b) the aggregate of revenues received in calendar year 1971. The commissioner of revenue shall calculate and notify the governmental subdivisions of the inflation adjustment by September of the levy year. A governmental subdivision qualifies for this special levy only if the decrease in aggregate revenues as computed herein and divided by the population of the governmental subdivision in the preceding levy year is equal to or greater than two percent of the per capita levy limitation for the preceding levy year;

(t) pay the cost to a governmental unit of implementing section 18.023, including sanitation and reforestation, as defined in section 18.023, subdivision 1;

(u) 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 special levies established in Laws 1981, First Special Session Chapter 1, Article V, Sections 10, 11, and 12, or in any other general or special law enacted in the 1981 session of the legislature shall continue to be levied outside of the levy limits set in sections 275.50 to 275.56.

Sec. 3. Minnesota Statutes 1980, Section 275.51, is amended by adding a subdivision to read:

Subd. 3f. [LEVY LIMIT CALCULATION.] The property tax levy limitation for governmental subdivisions in 1982 for taxes payable in 1983 and subsequent years shall be calculated as follows:

(a) A hypothetical levy limit base for taxes levied in 1981, payable in 1982, shall be computed according to the provisions of Minnesota Statutes 1980, Sections 275.51, Subdivision 3d, Clauses (a)(5), (b), (c), and (d), and 275.52; 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.

(b) For taxes levied in 1982, payable in 1983 and thereafter, the amount computed pursuant to clause (a) shall be increased annually in the manner provided in section 5 to derive the levy limit base for successive years. Any amount levied in 1976 payable 1977 under the provisions of Minnesota Statutes 1976, Section 275.50, Subdivision 5, Clause (a), (c), (d), (e) or (f) to meet the costs of programs, services or legal requirements which cease to exist in a subsequent year shall be subtracted from the levy limit base in the year in which the programs, services or legal requirements for which the levy was made cease to exist.

(c) 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) The levy limit base shall be reduced by the total amount of state aids paid pursuant to sections 477A.011 to 477A.015 and taconite taxes and aids paid pursuant to sections 294.26; 298.26; 298.28, subdivision 1; 298.282 and state reimbursements for wetlands and native prairie property tax exemptions provided in section 272.02, subdivision 1, clauses (15) and (16); and the payments in lieu of taxes to a county pursuant to section 477A.12 which are required to be used to provide property tax levy reduction, to be paid in the calendar year in which property taxes are payable. One cent per taxable ton of the amount distributed under section 298.28, subdivision 1, clause (4)(c), shall not be deducted from the levy limit base of the counties that receive that aid. The resulting figure is the amount of property taxes which a governmental subdivision may levy for all purposes other than those for which special levies and special assessments are made.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 275.51, Subdivision 4, is amended to read:

Subd. 4. [REDUCTION IN FORMULA AIDS.] If in any year subsequent to 1973 the levy made by a governmental subdivision exceeds the limitation provided in sections 275.50 to 275.56, except when such the excess levy is due to the rounding of the mill rates of the governmental subdivision in accordance with section 275.28, subsequent distributions required to be made by the commissioner of finance from any formula aids pursuant to section 477A.01 sections 477A.011 to 477A.015, shall be reduced 33 cents for each full dollar the levy exceeds the limitation; provided that a governmental subdivision may determine to levy in excess of the limitation provided in sections 275.50 to 275.56 by not more than five percent by passing a resolution setting forth the amount by which the levy limit is proposed to be exceeded. Thereafter, the resolution shall be published for two successive weeks in the official newspaper of the governmental subdivision or if there is no official newspaper, in a newspaper of general circulation in the governmental subdivision, together

with a notice fixing a date for a public hearing on the proposed increase. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the governing body may determine to take no further action or, in the alternative, adopt a resolution authorizing the levy as originally proposed or approving a levy in the lesser amount it determines. The resolution authorizing a levy in excess of the limitation imposed by sections 275.50 to 275.56 shall be published in the official newspaper of the governmental subdivision or if there is no official newspaper, in a newspaper of general circulation in the governmental subdivision. If within 30 days thereafter a petition signed by voters equal in number to five percent of the votes cast in the governmental subdivision in the last general election or 2,000 voters, whichever is less, requesting a referendum on the proposed resolution is filed with the clerk or recorder of the governmental subdivision if the governmental subdivision is a city or town, or with the county auditor if the governmental subdivision is a county, the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. A levy approved at a referendum held at a special or general election held prior to October 1 in any levy year increases the allowable levy in that levy year and provides a permanent adjustment to the levy limit base per capita of the governmental subdivision for future levy years, and there shall be no reduction in distributions of formula aids to the governmental subdivision as a result of the levy. If no referendum is requested, the excess levy authorized by the resolution, if the resolution is adopted prior to October 1 in any year, may be levied in that levy year and subsequent distributions required to be made by the commissioner of finance from any formula aids pursuant to sections 477A.011 to 477A.015, shall be reduced 15 cents for each full dollar by which the levy exceeds the limitation. The provisions of this subdivision apply to the levy of a metropolitan county before the reduction required pursuant to section 163.051, subdivision 5.

Sec. 5. [275.521] [TAX LIMITATION INCREASES AND DECREASES.]

Subdivision 1. [INCREASES.] A limitation prescribed by section 275.51 upon the amount of taxes which may be levied by a governmental subdivision may be increased in the manner and to the extent permitted by this section.

Subd. 2. [MAXIMUM PERCENTAGE INCREASE.] The levy limit base of a governmental subdivision, as adjusted for previous increases pursuant to this section, may be increased each year by the governing body in the amount not to exceed eight percent.

Subd. 3. [POPULATION INCREASES.] If the population of any governmental subdivision increases from one year to the next, the current year's levy limit base shall, for purposes of sections 275.50 to 275.56, be increased by an amount equal to the levy limit base per capita for the previous year increased pursuant to subdivision 2 times the current year's population.

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.

Subd. 4. [REASONS FOR LEVY LIMIT BASE INCREASES.] The levy limit base of a governmental subdivision may be increased upon approval by the levy limit review board established in section 275.5511, for the following reasons:

(a) Any governmental subdivision which spent money from its surplus funds for nonspecial levy purposes in calendar year 1971 may have its levy limit base increased by no more than the amount of revenue it used from surplus funds for nonspecial levy purposes in calendar year 1971;

(b) Any governmental subdivision which has been required to provide new or substantially expanded services because of changes in state law, whether or not the changed law directly mandates new services, may have its levy limit base increased by no more than the amount required to finance the services, provided that the services may not be financed by special levies or special assessments. 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;

(c) Any governmental subdivision which has been required to provide new or expanded services because of annexations, consolidations, mergers or new incorporations since 1970 may have its levy limit base increased by no more than the amount required to finance the general operating costs involved in the services; and

(d) Any city or township having statutory city powers which has a levy limit base per capita that is below 85 percent of the arithmetic average of the levy limit bases per capita for cities and townships subject to the levy limitations of sections 275.50 to 275.58 in the same county may have its levy limit base increased by no more than the amount required to bring its levy limit base per capita up to 85 percent of the arithmetic average of levy limit bases per capita for all cities and townships subject to the levy limitations of sections 275.50 to 275.58 in the county which are governed by the provisions of sections 275.50 to 275.58. On or before July 1 each year, the commissioner of revenue shall certify the average levy limit base per capita for each county for purposes of this clause. If a city or township has received a levy limit base adjustment from the levy limit review board prior to June 1, 1979, that city or township may also qualify for a base adjustment in accordance with this clause.

Any governmental subdivision which desires to have its levy limit base

adjusted under the provisions of this subdivision shall apply to the commissioner of revenue, who shall submit all applications to the levy limit review board established in section 275.5511. Applications shall be in the form and accompanied by the data required by the levy limit review board. Adjustments authorized by the levy limit review board shall become a permanent part of the levy limit base for the governmental subdivision. The levy limit review board may authorize only one levy limit base adjustment for any governmental subdivision under clauses (a), (c), or (d) of this subdivision.

Subd. 5. [CERTAIN CITIES; COUNTIES AND TOWNS.] A city other than a city of the first class, town, or county not containing a city of the first class which, in the preceding levy year, levied at least 98 percent of its total limited levy amount, may determine to levy in excess of the limitation provided in sections 275.50 to 275.56, by no more than ten percent of its levy limit base by passing a resolution setting forth the amount by which the levy limit is proposed to be exceeded. The resolution shall be published for four successive weeks in the official newspaper of the governmental subdivision or if there is no official newspaper, in a newspaper of general circulation in the governmental subdivision, together with a notice fixing a date for a public hearing on the proposed increase. The hearing shall be held not less than four weeks nor more than six weeks after the first publication of the resolution. Following the public hearing, the governing body may determine to take no further action or, in the alternative, adopt a resolution authorizing the levy as originally proposed or approving a levy in the lesser amount it determines. The resolution shall be published in the official newspaper of the governmental subdivision or if there is no official newspaper, in a newspaper of general circulation in the governmental subdivision. If within 30 days thereafter, a petition signed by voters equal in number to five percent of the votes cast in the governmental subdivision in the last general election or 2,000 voters, whichever is less, requesting a referendum on the proposed resolution is filed with the clerk or recorder of the governmental subdivision if the governmental subdivision is a city or town, or with the county auditor if the governmental subdivision is a county, the resolution is not effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. A levy increased pursuant to this subdivision, whether not challenged or approved at a referendum held at a special or general election held prior to October 1 in any levy year, increases the allowable levy in that same levy year and provides a permanent adjustment to the levy limit base of the governmental subdivision for future levy years. There shall be no reduction in distributions of formula aids to the governmental subdivision as a result of the additional levy.

The excess levy authorized by this subdivision is a one-time levy adjustment to the levy limit base. If an adjustment was made after June 3, 1977, pursuant to this subdivision, in an amount less than ten percent of the base, calculated at the time of the adjustment, an additional adjustment to the current levy limit base is authorized in an amount equal to ten percent less the percent by which it was previously adjusted.

Sec. 6. [275.531] [GOVERNING CENSUS.]

Subdivision 1. [MOST RECENT POPULATION FIGURES.] For the purpose of determining the amount of tax that a governmental subdivision may

levy in accordance with a per capita limitation established by this chapter or the amount of aid that a city or township may receive pursuant to sections 477A.011 to 477A.015, the population of the governmental subdivision is that established by the last federal census, by a census taken pursuant to subdivision 2, by a population estimate made by the metropolitan council, or by the population estimate of the state demographer made pursuant to section 4.12, subdivision 7, clause (10), whichever is the most recent as to the stated date of count or estimate, up to and including July 1 of the current levy year. Population changes established after July 1 of the current levy year shall not be used in determining the levy limitation of a governmental subdivision for the current levy year under sections 275.50 to 275.56.

Subd. 2. [SPECIAL CENSUS.] The governing body of a governmental subdivision may, in any year, contract with the United States bureau of the census to take a special census of that governmental subdivision to determine the current population of the governmental subdivision for the purpose of computing the amount of tax that it may levy or aid to be received pursuant to sections 477A.011 to 477A.015. The expense of taking the census shall be paid by the governmental subdivision in which the census is taken.

Subd. 3. [NOTICE OF INCREASED POPULATION ESTIMATE.] (a) In any year in which the population estimate for a governmental subdivision provided by the state demographer pursuant to subdivision 4 increases the amount of tax that the governmental subdivision may levy pursuant to sections 275.50 to 275.56, the governing body of the governmental subdivision shall publish notice of the estimate and the fact that it may result in an increased tax levy at least once in a legal newspaper of general circulation in the subdivision by August 1.

(b) Within 30 days following the publication of the notice, ten percent or more of the registered voters of the subdivision, or, if the subdivision does not require voter registration, then ten percent or more of its voters who voted at the subdivision's last election, may sign and submit to the governing body of the subdivision a petition demanding a special census.

(c) An affidavit shall be attached to the petition executed by the person circulating the petition, stating that the person personally circulated the petition, the number of signatures thereon, that all signatures were affixed in the person's presence and that the person believes them to be genuine signatures of the persons whose names they purport to be. Each signature need not be notarized.

(d) Upon the receipt of a petition conforming to this subdivision, the governing body shall contract for the taking of a special census pursuant to the provisions of subdivision 2.

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

Sec. 7. [275.553] [LEVY LIMITATIONS REVIEW BOARD.]

Subdivision 1. [CREATION; MEMBERS.] A levy limitations review board is hereby created to resolve questions concerning administrative interpretation of sections 275.50 to 275.56 that require review and to hear appeals by governing bodies of governmental subdivisions who disagree with the administrative rulings issued by the commissioner of revenue pursuant to section 275.55.

The members of the review board are the commissioner of revenue, the chairman of the Minnesota municipal board and one public member appointed by the governor, with the approval of the senate.

The public member shall be a citizen of the state who is knowledgeable in finance and local government. The public member shall not, at the time he is a member of the board, hold any other public office, or be employed by or represent a governmental subdivision, or have any personal financial interest in any contract with a governmental subdivision, or serve in any capacity where a conflict of interest could arise.

Subd. 2. [TERMS; COMPENSATION; REMOVAL; VACANCIES.] The membership term, compensation, removal, and filling of vacancies for the public member on the board shall be as provided in section 15.0575.

Sec. 8. [275.554] [CONTESTED CASES; HEARING; NOTICE, EVIDENCE, DECISIONS, ORDERS.]

The governing body of a governmental subdivision to whom a notice is given pursuant to section 275.55 may by a majority vote of the whole governing body decide to dispute the commissioner's administrative action. Unless notice of the decision is given to the commissioner within 30 days of the issuance of the commissioner's notice, the commissioner's decision is final and not subject to the review of the levy limitations review board. Upon receipt of a notice from a governmental subdivision within the time allowed, disputing the commissioner's administrative action, the commissioner shall conduct a further investigation of the disputed issues of fact as he deems necessary. If the commissioner continues to adhere to his previous notice, the governing body of the governmental subdivision shall be entitled to a hearing before the levy limitations review board. The board shall set a time and place for the hearing and notice shall be given by mail to the governing body of the governmental subdivision. The board shall adopt rules governing the proceedings for hearings which shall afford all interested parties the opportunity to present evidence and arguments with respect to the contested issues of fact. The decision of the board shall be in writing, and shall state in detail the basis and reason for each conclusion upon each contested issue of fact. A copy of the decision and order together with the detailed reasons shall be delivered or mailed to the governmental subdivision or its attorney of record. The decision of the levy limitations review board under this section may be reviewed on certiorari by the district court of the county wherein all or a part of the governmental subdivision is located.

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.

Sec. 11. [REPEALER.]

Minnesota Statutes 1981 Supplement, Section 275.51, Subdivision 3e, as amended by Laws 1981, Third Special Session Chapter 2, Article IV, Section 11, is repealed.

Sec. 12. [EFFECTIVE DATE.]

Sections 1 to 6, and 8 to 11 are effective for taxes levied in 1982, payable in 1983 and thereafter. Section 7 is effective the day following final enactment.

ARTICLE VII: LEASEHOLD COOPERATIVES

Section 1. Minnesota Statutes 1980, Section 273.133, is amended by adding a subdivision to read:

Subd. 3. [LEASEHOLD COOPERATIVES.] *When one or more dwellings or one or more buildings which each contain several dwelling units is owned by a nonprofit corporation subject to the provisions of chapter 317 or a limited partnership which corporation or partnership operates the property in conjunction with a cooperative association, homestead treatment, as provided*

under section 273.13, subdivision 7, may be claimed for each dwelling unit occupied by a member of the cooperative. To qualify for the treatment provided by this subdivision, the following conditions shall be met: (a) the cooperative association must be organized under sections 308.05 to 308.18; (b) the cooperative association must have a lease for occupancy of the property for a term of at least 20 years; (c) the cooperative association must have a right under a written agreement with the owner to purchase the property if the owner proposes to sell it; if the cooperative association does not purchase the property when it is offered for sale, the owner may not subsequently sell the property to another purchaser at a price lower than the price at which it was offered for sale to the cooperative association unless the cooperative association approves the sale; and (d) if a limited partnership owns the property, it must include as the managing general partner either the cooperative association or a nonprofit organization operating under the provisions of chapter 317. Homestead treatment shall be afforded to units occupied by members of the cooperative association and the units shall be assessed as provided in subdivision 1, provided that any unit not so occupied shall be classified and assessed pursuant to section 273.13, subdivision 19. No more than three acres of land shall, for assessment purposes, be included with each dwelling unit that qualifies for homestead treatment under this subdivision.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 290A.03, Subdivision 12, is amended to read:

Subd. 12. [GROSS RENT.] "Gross rent" means rental paid solely for the right of occupancy, at arms-length, of a homestead, exclusive of charges for any utilities, services, furniture, or furnishings furnished by the landlord as a part of the rental agreement, whether expressly set out in the rental agreement or not. If the landlord and tenant have not dealt with each other at arms-length and the commissioner determines that the gross rent charged was excessive, he may adjust the gross rent to a reasonable amount for purposes of sections 290A.01 to 290A.20.

If the landlord does not supply the charges for any utilities, furniture, or furnishings furnished by him, or if the charges appear to be incorrect the commissioner may apply a percentage determined from samples of similar gross rents paid solely for the right of occupancy.

Any amount paid by a claimant residing in property assessed pursuant to section 273.133 for occupancy in that property shall be excluded from gross rent for purposes of this chapter. However, property taxes imputed to the homestead of the claimant or the dwelling unit occupied by the claimant that qualifies for homestead treatment pursuant to section 273.133 shall be included within the term "property taxes payable" as defined in subdivision 13, notwithstanding the fact that ownership is not in the name of the claimant.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective for taxes levied in 1982 and thereafter, payable in 1983 and thereafter.

ARTICLE VIII: NEIGHBORHOOD REAL ESTATE TRUSTS

Section 1. Minnesota Statutes 1980, Section 273.13, Subdivision 17d, is amended to read:

Subd. 17d. [NEIGHBORHOOD REAL ESTATE TRUSTS.] When a

~~structure, consisting of one or more dwelling units, is land and improvements or unimproved land are owned by a neighborhood real estate trust and at least 60 percent of the dwelling units, if any, on all land owned by the trust are leased to or occupied by a lower income family as defined by section 8 of the United States Housing Act of 1937, as amended families, the structure land and improvements, if any, shall be assessed at 20 percent of the market value. This subdivision shall not apply to any portion of the structure land or improvements used for nonresidential purposes.~~

For purposes of this subdivision, a lower income family is a family with an income that does not exceed 65 percent of the median family income for the area as determined by the U.S. Secretary of Housing and Urban Development.

For purposes of this subdivision, neighborhood real estate trust means an entity which is certified by the governing body of the municipality in which it is located to have the following characteristics: (a) it is a nonprofit corporation organized under chapter 317; (b) it has as its principal purpose providing housing for lower income families in a specific geographic community designated in its articles or bylaws; (c) it limits membership with voting rights to residents of the designated community; and (d) it has a board of directors consisting of at least seven directors, 60 percent of whom are ~~voting~~ members with voting rights and, to the extent feasible, 25 percent of whom are elected by resident members of buildings owned by the trust.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective for taxes levied in 1982, payable in 1983 and thereafter.

ARTICLE IX: REGISTRATION OF RENTAL HOUSING

Section 1. Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 2, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source; except that gross income shall not include "exempt function income" of a "homeowners association" as those terms are defined in Section 528 of the Internal Revenue Code of 1954, as amended through December 31, 1980.

The term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this subdivision. For estates and trusts the adjusted gross income shall be their federal taxable income as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this subdivision and with the modification that the federal deduction for personal exemptions for trusts and estates shall not be allowed.

(i) The Internal Revenue Code of 1954, as amended through December 31,

1974, shall be in effect for the taxable years beginning after December 31, 1974.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1976, including the amendments made to section 280A (relating to licensed day care centers) in H.R. 3477 as it passed the Congress on May 16, 1977, shall be in effect for the taxable years beginning after December 31, 1976. The provisions of the Tax Reform Act of 1976, P.L. 94-455, which affect adjusted gross income shall become effective for purposes of this chapter at the same time they become effective for federal income tax purposes. Section 207 (relating to extension of period for nonrecognition of gain on sale or exchange of residence) and section 402 (relating to time for making contributions to pension plans of self employed people) of P.L. 94-12 shall be effective for taxable years beginning after December 31, 1974.

The provisions of section 4 of P.L. 95-458, sections 131, 133, 134, 141, 152, 156, 157, 405, and 543 of P.L. 95-600, and section 2 of P.L. 96-608 (relating to pensions, individual retirement accounts, deferred compensation plans, the sale of a residence and to conservation payments to farmers) including the amendments made to these sections in P.L. 96-222 shall be effective at the same time that these provisions became effective for federal income tax purposes.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1979, shall be in effect for taxable years beginning after December 31, 1979.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1980, and as amended by sections 302(b) and 501 to 509 of Public Law Number 97-34, shall be in effect for taxable years beginning after December 31, 1980 including the provisions of section 404 (relating to partial exclusions of dividends and interest received by individuals) of the Crude Oil Windfall Profit Tax Act of 1980, P.L. 96-223. The provisions of P.L. 96-471 (relating to installment sales) and sections 501 to 507, of the Economic Recovery Tax Act of 1981, Public Law Number 97-34 shall be effective at the same time that they become effective for federal income tax purposes.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) A business casualty loss if the taxpayer elected to deduct the loss on the current year's federal income tax return but had deducted the loss on the previous year's Minnesota income tax return;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under this chapter, to the

extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for the reimbursed expenditure resulted in a tax benefit;

(6) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for the previous taxable year. The amount of the federal income tax overpayment shall be reported only to the extent that the amount resulted in a reduction of the tax imposed by this chapter.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint, combined, or separate Minnesota income tax returns. In the case of combined or separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her combined or separate Minnesota income tax return for such previous taxable year;

(7) In the case of a change of residence from Minnesota to another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;

(8) The amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954 to the extent of the credit under section 38 of the Internal Revenue Code of 1954 that was previously allowed as a deduction either under section 290.01, subdivision 20 (b)(7);

(9) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(10) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101;

(11) The amount by which the gain determined pursuant to section 41.59, subdivision 2 exceeds the amount of such gain included in federal adjusted gross income;

(12) To the extent deducted in computing the taxpayer's federal adjusted gross income for the taxable year, losses recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(13) Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code of 1954, if the nonprofit corporation is domiciled outside of Minnesota;

(14) Exempt-interest dividends, as defined in section 852(b)(5)(A) of the Internal Revenue Code of 1954, not included in federal adjusted gross income pursuant to section 852(b)(5)(B) of the Internal Revenue Code of 1954, except for that portion of exempt-interest dividends derived from interest income on obligations of the state of Minnesota, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities;

(15) The amount of any excluded gain recognized by a trust on the sale or exchange of property as defined in section 641(c)(1) of the Internal Revenue Code of 1954;

(16) For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981, the amount allowed under section 167 of the Internal Revenue Code;

(17) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any gain, from the sale or other disposition of property having a lower adjusted basis for Minnesota income tax purposes than for federal income tax purposes. This modification shall not exceed the difference in basis. If the gain is considered a long term capital gain for federal income tax purposes, the modification shall be limited to 40 percent of the portion of the gain. This modification is limited to property that qualified for the energy credit contained in section 290.06, subdivision 14, and to property acquired in exchange for the release of the taxpayer's marital rights contained in section 290.14, clause (9);

(18) The amount of any loss from a source outside of Minnesota which is not allowed under section 290.17 including any capital loss or net operating loss carryforwards or carrybacks resulting from the loss;

(19) The amount of a distribution from an individual housing account which is to be included in gross income as required under section 290.08, subdivision 25;

(20) To the extent deducted in computing the taxpayer's federal adjusted gross income, interest, taxes and other expenses which are not allowed under section 290.10, clause (9) or (10);

(21) To the extent excluded from federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of contributions made by the city manager or administrator which is equal to the amount which would have been the city manager's or administrator's employee contribution pursuant to section 353.27, subdivision 2, if he were a member of the public employees retirement association; and

(22) For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of section 179 property within the meaning of the Internal Revenue Code of 1954, the amount allowed as a deduction under section 179 of the Internal Revenue Code; and

(23) *Expenses and depreciation attributable to property subject to section 2 which has not been registered.*

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property

having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to 60 per centum of the portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of the securities but includible in gross income for federal income tax purposes;

(4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether the amount is received as a refund or credited to another taxable year's income tax liability;

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, or (ii) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954. The maximum amount of this subtraction shall be \$11,000 less the amount by which the individual's federal adjusted gross income, plus the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, exceeds \$17,000. In the case of a volunteer firefighter who receives an involuntary lump sum distribution of his pension or retirement benefits, the maximum amount of this subtraction shall be \$11,000; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,000;

(7) The amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954 but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(8) To the extent included in the taxpayer's federal adjusted gross income for the taxable year, gain recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(9) The amount of any distribution from a qualified pension or profit sharing

plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later;

(10) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed before January 1, 1986 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(11) The first \$3,000 of compensation for personal services in the armed forces of the United States or the United Nations, and the next \$2,000 of compensation for personal services in the armed forces of the United States or the United Nations wholly performed outside the state of Minnesota. This modification does not apply to compensation defined in clause (b)(6);

(12) The amount of any income earned for personal services rendered outside of Minnesota prior to the date when the taxpayer became a resident of Minnesota. This modification does not apply to compensation defined in clause (b)(6);

(13) In the case of wages or salaries paid or incurred on or after January 1, 1977, the amount of any credit for employment of certain new employees under sections 44B and 51 to 53 of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(14) In the case of work incentive program expenses paid or incurred on or after January 1, 1979, the amount of any credit for expenses of work incentive programs under sections 40, 50A and 50B of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(15) Unemployment compensation to the extent includible in gross income for federal income tax purposes under section 85 of the Internal Revenue Code of 1954;

(16) To the extent included in federal adjusted gross income, severance pay that may be treated as a lump sum distribution under the provisions of section 290.032, subdivision 5;

(17) The amount of any income or gain which is not assignable to Minnesota under the provisions of section 290.17;

(18) Minnesota exempt-interest dividends as provided by subdivision 27;

(19) A business casualty loss which the taxpayer elected to deduct on the current year's Minnesota income tax return but did not deduct on the current year's federal income tax return; and

(20) Income from the performance of personal or professional services which is subject to the reciprocity exclusion contained in section 290.081, clause (a);

(21) To the extent included in federal adjusted gross income, in the case of a

city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of payments from the deferred compensation program equivalent to the amount of contributions taxed under clause (a)(21);

(22) Contributions to and interest earned on an individual housing account as provided by section 290.08, subdivision 25;

(23) Interest earned on a contract for deed entered into for the purchase of property for agricultural use if the rate of interest set in the contract is no more than eight percent per year for the duration of the term of the contract. This exclusion shall be available only if (1) the purchaser is an individual who, together with his spouse and dependents, has a total net worth valued at less than \$150,000 and (2) the property purchased under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983;

(24) For the taxable year beginning after December 31, 1980, but before January 1, 1982, an amount equal to 85 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. For the taxable year beginning after December 31, 1981 but before January 1, 1983, 83 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. The depreciation adjustments made to basis in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981 shall be the depreciation adjustments made for federal income tax purposes under the Internal Revenue Code of 1954, as amended through December 31, 1981. Adoption of this provision shall not be construed as indicating the intent of the legislature to enact provisions authorizing amortization of the amount of depreciation not excludable under this clause; and

(25) For taxable years beginning after December 31, 1980 but before January 1, 1983, an amount equal to the deduction allowed under section 179 of the Internal Revenue Code of 1954 as amended through December 31, 1981.

(c) A modification affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954 shall be made.

In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under this chapter and at the close of the taxable year immediately preceding the effective election under this chapter the cor-

poration has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that the reserve is distributed to shareholders the distribution shall be taxed as a dividend for purposes of this chapter.

(d) Amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that the amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that the amounts resulted in a reduction of the tax imposed by this chapter and amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this chapter.

(e) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1, clause (2) in computing Minnesota inheritance or estate tax liability shall not be allowed as a deduction (or as an offset against the sales price of property in determining gain or loss) in computing the taxable income of the estate or any person unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have the amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 1, is amended to read:

Subdivision 1. [LIMITATIONS.] (a) The following deductions from gross income shall be allowed in computing net income, provided that any item which was deducted in arriving at gross income under the provisions of section 290.01, subdivision 20, shall not be again deducted under this section.

(b) Property taxes may not be deducted under this section if

(1) The taxes are attributable to a trade or business carried on by an individual, or

(2) The taxes are expenses for the production of income which are paid or incurred by an individual; and which are not allowed as a deduction under section 164 of the Internal Revenue Code of 1954, as amended through December 31, 1980.

(c) *Interest and depreciation attributable to rental residential property may not be deducted under this section if the property does not comply with the requirements of section 3.*

Sec. 3. [CITY OF MINNEAPOLIS; REGISTRATION OF RESIDENTIAL

RENTAL PROPERTY.]

Subdivision 1. [MUNICIPAL ORDINANCE; DEDUCTIONS DISALLOWED.] The governing body of the city of Minneapolis may by ordinance require the registration of all rental property used in whole or in part for residential housing and all transfers of that property. If a registration ordinance is adopted, a taxpayer who receives rental income from residential housing property located in Minneapolis may not deduct interest and depreciation pursuant to section 290.01, subdivision 20, or 290.09, on that property until a certified copy of the certificate provided for in subdivision 3 is filed annually with the taxpayer's Minnesota income tax return. No deduction shall be allowed for any period during which the property is not registered as required by the ordinance. In the event the period of non-compliance does not cover an entire taxable year, the deductions shall be denied at the rate of one-twelfth for each full month the property is not in compliance. The amount of the deduction denied shall not exceed the lesser of \$200 for each unregistered rental residential unit or \$2,000 for each building for any taxable year; provided that in no event shall the amount of the deduction denied be less than one-twelfth of the sum of the deductions for interest and depreciation with respect to the property. The city must provide the department of revenue with a copy of the ordinance within ten days of the effective date of the ordinance. Deductions shall not be disallowed until the department has received a copy of the ordinance. The department shall include in its instructions to taxpayers a notice of the restriction established in this section. If the deduction has been disallowed because of a negligent failure to file a copy of the certificate by a taxpayer who had filed a copy for a prior year, the taxpayer may file an amended return with a copy of the certificate and the deduction shall be allowed and the tax liability adjusted accordingly. Notice to taxpayers of the requirement for registration of rental housing property shall be included in the property tax statement for property located in a municipality which has enacted an ordinance under this section.

Subd. 2. [REQUIREMENTS FOR ORDINANCE.] An ordinance adopted under subdivision 1 shall require identifying information judged necessary by the city and the department of revenue to administer the ordinance.

The ordinance shall provide that all property must be registered within 60 days of the effective date of the ordinance, except that property transferred or sold within or subsequent to that period, whether the sale is by warranty deed, quit-claim deed, contract for deed or any other method of sale must be registered within 20 days after transfer. Registrations are not assignable. A certificate issued pursuant to subdivision 3 is valid for an owner until the owner's interest in the property changes. The city may provide that violation of the ordinance is a misdemeanor. The city may charge a fee to cover the costs of administering its ordinance.

Subd. 3. [CERTIFICATE.] The city shall provide a certificate of registration to the owner at the time of registration. The certificate shall include at least the following information: (a) name, address, and social security number, or Minnesota tax identification number, of the owner registering the property; (b) the owner's interest in the property; (c) the street address of the property; (d) the date of registration; and (e) the date of the most recent purchase or transfer of the property.

Sec. 4. [APPLICABILITY.]

On its effective date this act shall apply to the city of Minneapolis.

Sec. 5. [EFFECTIVE DATE.]

This act is effective for taxable years beginning after December 31, 1982.

ARTICLE X: MUNICIPAL INDUSTRIAL DEVELOPMENT

Section 1. Minnesota Statutes 1981 Supplement, Section 474.03, is amended to read:

474.03 [POWERS.]

Any municipality or redevelopment agency, in addition to the powers prescribed elsewhere by the laws of this state, shall have the power to:

(1) Acquire, construct, and hold any lands, buildings, easements, water and air rights, improvements to lands and buildings, and capital equipment to be located permanently or used exclusively on a designated site and solid waste disposal and pollution control equipment, and alternative energy equipment and inventory, regardless of where located, which are deemed necessary in connection with a project to be situated within the state, whether wholly or partially within or without the municipality or redevelopment agency, and construct, reconstruct, improve, better, and extend such project;

(2) Issue revenue bonds, in anticipation of the collection of revenues of such project, to finance, in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension thereof and, in the case of an alternative energy project, in addition to the other powers granted by this chapter, to finance the acquisition and leasing or sale of equipment and products to others;

(3) Issue revenue bonds to pay, purchase or discharge all or any part of the outstanding indebtedness of a contracting party engaged primarily in the operation of one or more nonprofit hospitals or nursing homes, theretofore incurred in the acquisition or betterment of its existing hospital or nursing home facilities, including, to the extent deemed necessary by the governing body of the municipality or redevelopment agency, any unpaid interest on such indebtedness accrued or to accrue to the date on which such indebtedness is finally paid; and any premium the governing body of the municipality or redevelopment agency determines to be necessary to be paid to pay, purchase or defease such outstanding indebtedness; if revenue bonds are issued for this purpose, the refinancing and the existing properties of the contracting party shall be deemed to constitute a project under section 474.02, subdivision 1c. Industrial revenue bonds shall only be available under this provision if the commissioner of securities and real estate has been shown that a reduction in debt service charges to patients and third party payors will occur. All reductions in debt service charges pursuant to this program shall be passed on to patients and third party payors. These industrial revenue bonds may not be used for any purpose not consistent with the provisions of sections 145.832 to 145.845 or chapter 256B;

Nothing in this subdivision is intended to prohibit the use of revenue bond proceeds to pay outstanding indebtedness of a contracting party to the extent

now permitted by law;

(4) Enter into a revenue agreement with any person, firm, or public or private corporation or federal or state governmental subdivision or agency in such manner that payments required thereby to be made by the contracting party shall be fixed, and revised from time to time as necessary, so as to produce income and revenue sufficient to provide for the prompt payment of principal of and interest on all bonds issued hereunder when due, and the revenue agreement shall also provide that the contracting party shall be required to pay all expenses of the operation and maintenance of the project including, but without limitation, adequate insurance thereon and insurance against all liability for injury to persons or property arising from the operation thereof, and all taxes and special assessments levied upon or with respect to the project and payable during the term of the revenue agreement, during which term a tax shall be imposed and collected pursuant to the provisions of section 272.01, subdivision 2, for the privilege of using and possessing the project, in the same amount and to the same extent as though the contracting party were the owner of all real and personal property comprising the project;

(5) Pledge and assign to the holders of such bonds or a trustee therefor all or any part of the revenues of one or more projects and define and segregate such revenues or provide for the payment thereof to a trustee, whether or not such trustee is in possession of the project under a mortgage or otherwise;

(6) Mortgage or otherwise encumber such projects in favor of the municipality or redevelopment agency, the holders of such bonds, or a trustee therefor, provided that in creating any such mortgages or encumbrances a municipality or redevelopment agency shall not have the power to obligate itself except with respect to the project;

(7) Make all contracts, execute all instruments, and do all things necessary or convenient in the exercise of the powers herein granted, or in the performance of its covenants or duties, or in order to secure the payment of its bonds; including, but without limitation, a contract entered into prior to the construction of the project authorizing the contracting party, subject to such terms and conditions as the municipality or redevelopment agency shall find necessary or desirable and proper, to provide for the construction, acquisition, and installation of the buildings, improvements, and equipment to be included in the project by any means available to the contracting party and in the manner determined by the contracting party and without advertisement for bids as may be required for the construction or acquisition of other municipal facilities;

(8) Enter into and perform such contracts and agreements with other municipalities, political subdivisions, and state agencies, authorities, and institutions as the respective governing bodies of the same may deem proper and feasible for or concerning the planning, construction, lease, purchase, mortgaging or other acquisition, and the financing of a project, and the maintenance thereof, including an agreement whereby one municipality issues its revenue bonds in behalf of one or more other municipalities pursuant to revenue agreements with the same or different contracting parties, which contracts and agreements may establish a board, commission, or such other body as may be deemed proper for the supervision and general management of the facilities of the project; provided, no municipality or redevelopment agency shall enter into or perform any contract or agreement with any school district under which the municipal-

ity or redevelopment agency issues its revenue bonds or otherwise provides for the construction of school facilities and the school leases or otherwise acquires these facilities;

(9) Accept from any authorized agency of the federal government loans or grants for the planning, construction, acquisition, leasing, purchase, or other provision of any project, and enter into agreements with such agency respecting such loans or grants;

(10) Sell and convey all properties acquired in connection with such projects, including without limitation the sale and conveyance thereof subject to such mortgage as herein provided, and the sale and conveyance thereof under an option granted to the lessee of the project, for such price, and at such time as the governing body of the municipality or redevelopment agency may determine, provided, however, that no sale or conveyance of such properties shall ever be made in such manner as to impair the rights or interests of the holder, or holders, of any bonds issued under the authority of this chapter;

(11) Issue revenue bonds to refund, in whole or in part, bonds previously issued by such municipality or redevelopment agency under authority of this chapter;

(12) If so provided in the revenue agreement, terminate the agreement and re-enter or repossess the project upon the default of the contracting party, and operate, lease, or sell the project in such manner as may be authorized or required by the provisions of the revenue agreement or of the resolution or indenture securing the bonds issued for the project; any revenue agreement which includes provision for a conveyance of real estate to the contracting party may be terminated in accordance with the revenue agreement, notwithstanding that such revenue agreement may constitute an equitable mortgage provided that no municipality or redevelopment agency shall have power otherwise to operate any project referred to in this chapter as a business or in any manner whatsoever, and nothing herein authorizes any municipality or redevelopment agency to expend any funds on any project herein described, other than the revenues of such projects, or the proceeds of revenue bonds and notes issued hereunder, or other funds granted to the municipality or redevelopment agency for the purposes herein contemplated, except as may be otherwise permitted by law and except to enforce any right or remedy under any revenue agreement or related agreement for the benefit of the bondholders or for the protection of any security given in connection with a revenue agreement, provided that the public cost of redevelopment of land paid by a city or its redevelopment agency shall not be deemed part of the cost of any project situated on such land;

(13) Invest or deposit, or authorize a trustee to invest or deposit, any money on hand in funds or accounts established in connection with a project or payment of bonds issued therefor, to the extent they are not presently needed for the purposes for which such funds or accounts were created, in accordance with section 471.56, as amended; ~~and~~

(14) Waive or require the furnishing of a contractors payment and performance bond of the kind described in section 574.26 and if such bond shall be required, then the provisions of chapter 514 relating to liens for labor and materials, shall not be applicable in respect of any work done or labor or materials supplied for the project, and if such bond be waived then the said

provisions of chapter 514 shall apply in respect of work done or labor or materials supplied for the project; and

(15) Waive property taxes on a nonresidential building constructed for sale or rent in a project until the building is sold or rented, up to a maximum of five years.

Sec. 2. [EFFECTIVE DATE.]

This act is effective for property taxes levied in 1982 and thereafter, payable in 1983 and thereafter.

ARTICLE XI: URBAN SHELTER PRESERVES

Section 1. [URBAN SHELTER PRESERVES; DEFINITIONS.]

Subdivision 1. [GENERALLY.] When used in sections 1 to 7, the words described in this section shall have the meanings given herein.

Subd. 2. [CITY.] "City" means the city of Minneapolis or any agency or body lawfully delegated by the governing body of the city to perform the duties provided in sections 1 to 7.

Subd. 3. [LOWER INCOME FAMILY.] "Lower income family" means a family whose federal adjusted gross income is no more than 80 percent of the median income for the area as defined by the U.S. department of housing and urban development.

Subd. 4. [LOWER INCOME RENTAL PROPERTY.] "Lower income rental property" means a rental property in which 75 percent or more of the units are rented to lower income families, except that in the case of non-owner occupied duplexes the percentage shall be 50 percent and in the case of triplexes, it shall be 66-2/3 percent. Owner-occupied duplexes, cooperatives which are treated as homesteads, and property assessed pursuant to Minnesota Statutes, Section 273.13, Subdivisions 17, 17b and 17c shall not be considered to be lower income rental property for purposes of sections 1 to 7.

Subd. 5. [OWNER.] "Owner" means any person who owns the freehold of the premises or lesser estate therein, receiver, executor, trustee, or, if a property has been sold subject to a contract for deed, owner includes the vendee where the vendor has agreed to the covenant in writing.

Subd. 6. [URBAN SHELTER PRESERVE.] "Urban shelter preserve" means a rental property which is the subject of an agreement as described in section 4.

Sec. 2. [LOCAL OPTION TO CREATE PRESERVES.]

The governing body of the city may enact an ordinance providing for the creation of urban shelter preserves in the city. In the ordinance, the governing body shall state its findings with respect to the existence in the city of developmental pressures on property that could provide housing for lower income families. Lower income rental property of a type that is found by the governing body to be subject to developmental pressure would be eligible for designation as an urban preserve. The ordinance may limit either the number of properties or the number of residential units that will be accepted as urban shelter preserves.

Sec. 3. [APPLICATION FOR DESIGNATION.]

Subdivision 1. [INFORMATION REQUIRED.] An owner who believes his property to be eligible for designation as an urban shelter preserve may apply to the city to have the property so designated. The application shall be on a form provided by the city and shall contain at least the following information:

(a) Address and legal description of the property;

(b) Name and address and social security number or Minnesota taxpayer identification number of the owner;

(c) Other information the participating city deems necessary; and

(d) A statement of the penalties that apply for giving fraudulent information.

Subd. 2. [TENANTS' INCOME INFORMATION.] Upon receiving the application, the city shall provide the owner with forms for certification of tenant income to be distributed by the owner to the tenants. The completed forms shall be returned to the city by all tenants of the property. The form shall include at least the following:

(a) A statement that the information given on this form will not jeopardize eligibility for any benefits currently being received by the tenant, but will be for purposes of determining eligibility of the building for the urban shelter preserve designation only;

(b) The name and address of the owner of the property;

(c) A statement of the penalties which shall apply for giving fraudulent information; and

(d) A request for the tenant's federal adjusted gross income.

Sec. 4. [DESIGNATION.]

Subdivision 1. [AGREEMENT.] If the city finds the property to be eligible for designation as an urban shelter preserve, it shall request the owner to furnish a copy of the rent schedule for the property. Upon receipt of the rent schedule, the city may designate the property as an urban shelter preserve for a period of time, not less than one year, agreed to by the city and the owner. This agreement shall not be binding on a successor in interest to the owner unless the successor in interest agrees to be bound to the agreement and notifies the city of his intention to agree. If the successor in interest does not agree to be bound by the agreement, property sold prior to October 1 shall not be valued and assessed pursuant to section 6 for taxes levied in that year.

Subd. 2. [EFFECT OF DESIGNATION.] If designation is made prior to March 1 of any year, the property shall be assessed pursuant to section 6 for taxes payable the following year. If designation is made after March 1, the property shall be assessed pursuant to section 6 in the following year.

Subd. 3. [NOTICE TO OFFICIALS.] Within ten days of designation of a property as a preserve, the city shall notify the county auditor and the assessor of the property of the designation.

Sec. 5. [DURATION.]

Subdivision 1. [GENERALLY.] An urban preserve shall continue to exist during the time established in the original agreement between the city and the owner, as well as any extensions of that period agreed to in writing by the city

and the owner until either the owner or the city initiates expiration as provided in this section.

Subd. 2. [OWNER INITIATION.] An owner may initiate expiration prior to the date set in the original agreement or extensions by notifying the city. The notice shall contain the address of the property and shall state the desired date of expiration which shall be at least one year from the date of the notice.

Subd. 3. [CITY INITIATION.] The city may initiate termination prior to the date set in the original agreement or extensions by notifying the owner. The date of expiration shall be at least one year from the date of the notice.

Subd. 4. [TERMINATION FOR FAILURE TO MAINTAIN PRESERVE.] If it becomes apparent that the owner has failed to maintain his property as a lower income rental property or in any other way violated the terms of the agreement, the administering agency shall commence action toward early termination of the preserve. In so doing, the city shall first give the owner 30 days notice in writing stating the reasons for the early termination. If the owner fails to take action immediately to remedy the situation, the termination shall become effective at the end of the 30 days.

Subd. 5. [NOTICE TO OFFICIALS.] The city shall notify the assessor and county auditor of any notice of termination issued or received.

Sec. 6. [PROPERTY TAX TREATMENT; PASSTHROUGH OF REDUCTION.]

Subdivision 1. [ASSESSMENT.] Notwithstanding the provisions of Minnesota Statutes, Sections 272.03, Subdivision 8, and 273.11, the market value of property designated as an urban preserve, for the first year when it is taxed pursuant to this section, shall be the market value given it for the year preceding its designation. For assessments in subsequent years, its value as determined according to Minnesota Statutes, Section 273.11, shall not increase over its value for the preceding year by more than 80 percent of the average percentage increase in market value of residential rental property in the city. The governing body of the municipality may, if it finds that the value of property designated as an urban shelter preserve has increased substantially as a consequence of developmental pressure on the property prior to the time of its designation, determine that the market value of the property shall not be increased during the period of time deemed necessary for the value of the property to become equal to similar property that has not been subject to the same developmental pressure; any restriction on subsequent increases in the valuation of the property shall be determined by the governing body. Improvements to the property shall be assessed according to the provisions of Minnesota Statutes, Section 273.11.

Subd. 2. [REDUCTION OF ASSESSED VALUE.] After the assessor has determined the market value for urban preserve property in accordance with subdivision 1, he shall compute the assessed value by applying 50 percent of the classification percentage which would apply if the property were not a preserve.

Subd. 3. [DETERMINATION OF TAX REDUCTION.] The assessor shall annually notify the city of the difference between the property tax which would accrue to each preserve property with and without preserve status. The difference between these two figures is the property tax reduction for that property.

which shall be passed through to tenants pursuant to subdivision 4.

Subd. 4. [PROPERTY TAX PASSTHROUGH.] The benefit of the reduction in the property tax shall be passed through to tenants by means of reductions in monthly rents for residential units in the urban shelter preserves. The amount of the passthrough shall be calculated in such a way that, for properties consisting of ten units or less, 90 percent is distributed among the tenants and, for properties exceeding ten units, 95 percent of the reduction is divided among tenants. The distribution shall be in proportion to a household's share in gross residential rents for the building. The city shall notify the owner of the proper amount and timing of the property tax passthrough.

Sec. 7. [ADMINISTRATION.]

Subdivision 1. [ANNUAL RECERTIFICATION.] On an annual basis the income of tenants shall be recertified to insure that the property continues to qualify as a lower income rental property. The rent schedule shall also be recertified at least annually.

Subd. 2. [ENFORCEMENT.] The city may take all reasonable and necessary steps to insure adequate compliance with the provisions of sections 1 to 7, including the levying of penalties for wilful abuse of the covenant agreement. Penalties for the owner shall not exceed \$500 and the equivalent of all the property tax passthrough for that property plus interest of 20 percent and for the tenant shall not exceed a maximum of \$500.

Sec. 8. [APPLICABILITY.]

On its effective date, this act shall apply to the city of Minneapolis.

Sec. 9. [LOCAL APPROVAL.]

This act is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of Minneapolis.

ARTICLE XII: TAX-FORFEITED LANDS

Section 1. Minnesota Statutes 1980, Section 278.08, is amended to read:

278.08 [INTEREST.]

Subdivision 1. [TAXES DUE.] If Whether or not the tax is sustained in full as levied and section 278.03 notwithstanding, the judgment shall include any interest which has ~~then~~ accrued ~~thereon~~ on the taxes for failure to pay the ~~same~~, taxes or any part thereof, at the time required by law of the taxes as provided in sections 279.01 and 279.03. If the tax is reduced, no ~~penalties and interest~~ penalty shall be included in the judgment because of the failure to pay the reduced tax prior to the entry ~~thereof~~ of judgment. After the judgment is entered, it shall be subject to interest or ~~penalties as would under the law attach to the tax embraced therein after the entry thereof~~ and penalty at the rates provided in chapter 279 for delinquent payment of property taxes.

Subd. 2. [REFUND.] If the petitioner has overpaid the tax determined or stipulated to be due, the county auditor shall compute interest on the overpayment from the date of the filing of the petition for review or from the date of payment of the tax, whichever is later, until the date of issuance of the refund warrant. Interest shall be calculated on the overpayment at the rate provided in section 279.03 for delinquent property taxes for the levy year involved.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 279.03, is amended to read:

279.03 [INTEREST ON DELINQUENT REAL ESTATE PROPERTY TAXES.]

Subdivision 1. [RATE.] The rate of interest on delinquent real estate property taxes levied in 1979 and prior years is fixed at six percent per annum year until January 1, 1983. Thereafter interest is payable at the rate determined pursuant to section 549.09. The rate of interest on delinquent real estate property taxes levied in 1980 and subsequent years shall be is the rate determined pursuant to section 549.09. All provisions of law except section 549.09 providing for the calculation of interest at any different rate on delinquent taxes in any notice or proceeding in connection with the payment, collection, sale, or assignment of delinquent taxes, or redemption from such sale or assignment are hereby amended to correspond herewith. Section 549.09 shall continue in force with respect to judgments arising out of petitions for review filed pursuant to chapter 278 irrespective of the levy year.

Such interest shall be calculated from the second Monday of May following the year in which the taxes became due, on the full amount of the taxes, penalties and costs accrued.

The provisions of this section shall not apply to any taxes which have heretofore been bid in by an actual purchaser at a May tax sale or which have heretofore been assigned.

For property taxes levied in 1980 and prior years, interest is to be calculated at simple interest from the second Monday in May following the year in which the taxes become due until the time that the taxes and penalties are paid, computed on the amount of unpaid taxes, penalties and costs. For property taxes levied in 1981 and subsequent years, interest shall commence on the first day of January following the year in which the taxes become due, but the county treasurer need not calculate interest on unpaid taxes and penalties on the tax list returned to the county auditor pursuant to section 279.01.

If interest is payable for a portion of a year, the interest is calculated only for the months that the taxes or penalties remain unpaid, and for this purpose a portion of a month is deemed to be a whole month.

Subd. 2. [COMPOSITE JUDGMENT.] Amounts included in composite judgment, as authorized by section 279.37, and confessed on or after July 1, 1982, are subject to interest at the rate determined pursuant to section 549.09. During each calendar year, interest shall accrue on the unpaid balance of the composite judgment from the time it is confessed until it is paid. The rate of interest is subject to change each year in the same manner that section 549.09 provides for rate changes on judgments. Interest on the unpaid contract balance on judgments confessed before July 1, 1982, is payable at the rate applicable to the judgment at the time that it was confessed.

Sec. 3. Minnesota Statutes 1980, Section 279.37, Subdivision 1, is amended to read:

279.37 [CONFESSION OF JUDGMENT FOR DELINQUENT TAXES.]

Subdivision 1. [COMPOSITION INTO ONE ITEM.] Delinquent taxes upon any parcel of real estate which have been bid in for and are held by the

state and not assigned by it, may be composed into one item or amount by confession of judgment at any time prior to the forfeiture of such parcel of land to the state for taxes, for the aggregate amount of all such taxes, costs, penalties, and interest accrued against said parcel, as hereinafter provided; ~~provided that no such taxes upon lands classified for assessment at an assessed value exceeding 40 percent of the market value, shall be composed into any such judgment or be payable in the manner provided by this section.~~

Sec. 4. Minnesota Statutes 1980, Section 279.37, Subdivision 2, is amended to read:

Subd. 2. [INSTALLMENT PAYMENTS.] The owner of any such parcel, or any person to whom the right to pay taxes has been given by statute, mortgage, or other agreement, may make and file with the county auditor of the county wherein ~~said the~~ parcel is located a written offer to pay the current taxes each year before they become delinquent, or to contest ~~such the~~ taxes under Minnesota Statutes 1941, Sections 278.01 to 278.13, and agree to confess judgment for the amount hereinbefore provided, as determined by the county auditor, and shall thereby waive all irregularities in connection with the tax proceedings affecting ~~such the~~ parcel and any defense or objection which he may have ~~thereto to the proceedings~~, and shall thereby waive the requirements of any notice of default in the payment of any instalment or interest to become due pursuant to the composite judgment to be so entered, and shall tender therewith one-tenth of the amount of ~~such the~~ delinquent taxes, costs, penalty, and interest, and agree therein to pay the balance in nine equal instalments, with interest ~~at the rate of eight percent per annum as provided in section 279.03~~, payable annually on instalments remaining unpaid from time to time, on or before December 31 of each year following the year in which judgment was confessed, which offer shall be substantially as follows:

"To the clerk of the district court of county, I,, owner of the following described parcel of real estate situate in county, Minnesota, to-wit: upon which there are delinquent taxes for the year, and prior years, as follows: (here insert year of delinquency and the total amount of delinquent taxes, costs, interest, and penalty) do hereby offer to confess judgment in the sum of \$..... and hereby waive all irregularities in the tax proceedings affecting such taxes and any defense or objection which I may have thereto, and direct judgment to be entered for the amount hereby confessed, less the sum of \$....., hereby tendered, being one-tenth of the amount of said taxes, costs, penalty, and interest; I agree to pay the balance of said judgment in nine equal, annual instalments, with interest ~~at the rate of eight percent per annum as provided in section 279.03~~, payable annually, on the instalments remaining unpaid from time to time, said instalments and interest to be paid on or before December 31 of each year following the year in which this judgment is confessed and current taxes each year before they become delinquent, or within 30 days after the entry of final judgment in proceedings to contest such taxes under Minnesota Statutes 1941, Sections 278.01 to 278.13.

Dated this, 19....."

Sec. 5. Minnesota Statutes 1980, Section 279.37, is amended by adding a subdivision to read:

Subd. 2a. [ALTERNATIVE TREATMENT OF NONHOMESTEAD

PROPERTY.] A county board of commissioners may by resolution provide that the installment arrangement in subdivision 2 is not applicable to non-homestead property and that this subdivision applies instead. If the resolution is approved, the minimum downpayment shall be 20 percent of the delinquent amount and the balance shall be payable in four equal annual installments at the time prescribed in this section. A resolution shall remain in force for at least one year after the date of approval and shall be applied uniformly to all nonhomestead property in the county. "Nonhomestead property" means all property except that which is classified for property tax purposes as homestead property at the time that the confession of judgment is made.

Sec. 6. Minnesota Statutes 1980, Section 282.01, Subdivision 4, is amended to read:

Subd. 4. [CONDUCT OF SALE.] ~~Such~~ The sale shall be conducted by the county auditor at the county seat of the county in which ~~such~~ the parcels lie, provided that, in St. Louis and Koochiching counties, the sale may be conducted in any county facility within the county, and ~~such~~ the parcels shall be sold for cash only and at not less than the appraised value, unless the county board of the county shall have adopted a resolution providing for their sale on terms, in which event ~~such~~ the resolution shall control with respect thereto. When the sale is made on terms other than for cash only a payment of at least ten percent of the purchase price must be made at the time of purchase, thereupon the balance shall be paid in ~~not to exceed no more than~~ ten equal annual instalments. No standing timber or timber products shall be removed from these lands until an amount equal to the appraised value of all ~~such~~ standing timber or timber products ~~as may have been standing on such the~~ lands at the time of purchase has been paid by the purchaser; provided, that in case any parcel of land bearing standing timber or timber products is sold at public auction for more than the appraised value, the amount bid in excess of the appraised value shall be allocated between the land and the timber in proportion to the respective appraised values thereof, and no standing timber or timber products shall be removed from ~~such the~~ land until the amount of ~~such the~~ excess bid allocated to timber or timber products ~~shall have~~ has been paid in addition to the appraised value thereof. ~~When sales are made on such terms the interest rate on the unpaid portion shall be eight percent per annum.~~ The purchaser at ~~such sale~~ shall be is entitled to immediate possession, subject to the provisions of any existing valid lease made in behalf of the state.

For sales occurring on or after July 1, 1982, the unpaid balance of the purchase price is subject to interest at the rate determined pursuant to section 549.09. The interest rate is subject to change each year on the unpaid balance in the manner provided in section 549.09 for rate changes on judgments. Interest on the unpaid contract balance on sales occurring before July 1, 1982, is payable at the rate applicable to the sale at the time that the sale occurred.

Sec. 7. Minnesota Statutes 1980, Section 282.01, is amended by adding a subdivision to read:

Subd. 7a. [ALTERNATE SALE PROCEDURE.] Land located in a home rule charter or statutory city, or in a town described in section 368.01, subdivision 1, which cannot be improved because of noncompliance with local ordinances regarding minimum area, shape, frontage or access may be sold by the county auditor pursuant to this subdivision if the auditor determines that a

nonpublic sale will encourage the approval of sale of the land by the city or town and promote its return to the tax rolls. The sale of land pursuant to this subdivision shall be subject to any conditions imposed by the county board pursuant to section 282.03. The governing body of the city or town may recommend to the county board conditions to be imposed on the sale. The county auditor may restrict the sale to owners of lands adjoining the land to be sold. The county auditor shall conduct the sale by sealed bid or may select another means of sale. The land shall be sold to the highest bidder but in no event shall the land be sold for less than its appraised value. All owners of land adjoining the land to be sold shall be given a written notice at least 30 days prior to the sale.

This subdivision shall be liberally construed to encourage the sale and utilization of tax-forfeited land, to eliminate nuisances and dangerous conditions and to increase compliance with land use ordinances.

Sec. 8. Minnesota Statutes 1980, Section 282.04, is amended by adding a subdivision to read:

Subd. 1a. [LEASING WITHOUT BIDS.] The county auditor may within a period of two years immediately following the date of forfeiture lease tax-forfeited land on which are located structures or buildings without advertising for bids. Notwithstanding subdivision 1, the property may be leased for a period no longer than one year without bids, regardless of the consideration received for the lease. With the approval of the county board, the county auditor may under similar circumstances enter into a management contract without bids when that action is necessary for the operation, use or preservation of the property and the safety of the public.

Sec. 9. Minnesota Statutes 1980, Section 282.08, is amended to read:

282.08 [APPORTIONMENT OF PROCEEDS.]

The net proceeds from the sale or rental of any parcel of forfeited land, or from the sale of any products therefrom, shall be apportioned by the county auditor to the taxing districts interested therein, as follows:

(1) Such portion as may be required to pay any amounts included in the appraised value under section 282.01, subdivision 3, as representing increased value due to any public improvement made after forfeiture of such parcel to the state, but not exceeding the amount certified by the clerk of the municipality, shall be apportioned to the municipal subdivision entitled thereto;

(2) Such portion of the remainder as may be required to discharge any special assessment chargeable against such parcel for drainage or other purpose whether due or deferred at the time of forfeiture, shall be apportioned to the municipal subdivision entitled thereto; and

(3) Such portion of the remainder as may have been theretofore levied on the parcel of land for any bond issue of the school district, town, city, or county, wherein the parcel of land is situated shall be apportioned to the municipal subdivisions in the proportions of the respective interest; and

(4) Any balance shall be apportioned as follows:

(a) Any county board may annually by resolution set aside ~~not exceeding~~ *no more than* 30 percent of the receipts remaining to be used for timber develop-

ment on tax-forfeited land and dedicated memorial forests, to be expended under the supervision of the county board. It shall be expended only on projects approved by the commissioner of natural resources.

(b) Any county board may annually by resolution set aside ~~not exceeding~~ *no more than* 20 percent of the receipts remaining to be used for the acquisition and maintenance of county parks or recreational areas as defined in sections 398.31 to 398.36, to be expended under the supervision of the county board.

(c) If the board does not avail itself of the authority under paragraph (a) or (b) any balance remaining shall be apportioned as follows: county, 40 percent; town or city, 20 percent; and school district, 40 percent, and if the board avails itself of the authority under paragraph (a) or (b) the balance remaining shall be apportioned among the county, town or city, in the proportions in this paragraph above stated, provided, however, that in unorganized territory that portion which should have accrued to the township shall be administered by the county board of commissioners.

Sec. 10. Minnesota Statutes 1980, Section 282.261, is amended to read:

282.261 [~~DOWN PAYMENT~~ *TERMS OF REPURCHASE.*]

Subdivision 1. [PAYMENTS; TAXES.] A person repurchasing under section 282.241 shall pay at the time of repurchase not less than one-tenth of such the repurchase price and shall pay the balance in ten equal annual instalments, with the privilege of paying the unpaid balance in full at any time, with interest at the rate of eight percent on the balance remaining unpaid each year as provided in subdivision 2, the first instalment of principal and interest to become due and payable on December 31 of the year following the year in which the repurchase was made, the remaining instalments to become due and payable on December 31 of each year thereafter until fully paid. He The person shall pay the current taxes each year thereafter before the same shall they become delinquent up to the time when he shall pay has paid the repurchase price in full.

Subd. 2. [INTEREST RATE.] The unpaid balance on any repurchase contract approved by the county board on or after July 1, 1982, is subject to interest at the rate determined pursuant to section 549.09. The interest rate is subject to change each year on the unpaid balance in the manner provided in section 549.09 for rate changes on judgments. Interest on the unpaid contract balance on repurchases approved before July 1, 1982, is payable at the rate applicable to the repurchase contract at the time that it was approved.

Subd. 3. [ALTERNATIVE TREATMENT OF NONHOMESTEAD PROPERTY.] A county board of commissioners may by resolution provide that the installment arrangement in subdivision 1 is not applicable to non-homestead property and that this subdivision applies instead. If the resolution is approved, the minimum downpayment shall be 20 percent of the repurchase price and the balance shall be payable in four equal annual installments. A resolution shall remain in force for at least one year after approval and shall be applied uniformly to all nonhomestead property in the county. "Nonhomestead property" means all property except that which is classified for property tax purposes as homestead property at the time that the repurchase application is approved.

ARTICLE XIII: GRAVEL TAX

Section 1. Minnesota Statutes 1981 Supplement, Section 298.75, Subdivision 1, is amended to read:

Subdivision 1. A county may impose upon every person, firm, corporation or association, hereafter referred to as "operator," engaged in the business of removing ~~gravel~~ *aggregate material* for sale from ~~gravel~~ pits or deposits, a production tax in an amount not to exceed ten cents per cubic yard of ~~gravel~~ *aggregate material* removed. For purposes of this section, ~~gravel shall include sand and limestone~~ *"aggregate material" means non-metallic natural mineral aggregate including, but not limited to sand, gravel, crushed rock, clay, black dirt, crushed limestone and crushed granite. Aggregate material shall not include dimension stone and dimension granite. Dimension stone or dimension granite shall not include stone or granite of a size to be used for railroad ballast.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 298.75, Subdivision 2, is amended to read:

Subd. 2. By the 14th day following the last day of each calendar quarter in each county in which a tax is imposed pursuant to this section or any special law, every operator shall make and file with the county auditor of the county in which the ~~gravel~~ *aggregate material* is removed, a correct report under oath, in such form and containing such information as the auditor shall require relative to the quantity of ~~gravel~~ *aggregate material* removed during the preceding calendar quarter. The report shall be accompanied by a remittance of the amount of tax due.

Sec. 3. Minnesota Statutes 1980, Section 298.75, Subdivision 5, is amended to read:

Subd. 5. It is a misdemeanor for any operator to remove ~~gravel~~ *aggregate material* from a pit or deposit unless all taxes due under this section have been paid or objections thereto have been filed pursuant to subdivision 3.

Sec. 4. Minnesota Statutes 1980, Section 298.75, Subdivision 6, is amended to read:

Subd. 6. All moneys collected as taxes under this section shall be deposited in the county treasury and credited as follows, for expenditure by the county board:

(a) Sixty percent to the county road and bridge fund for expenditure for the maintenance, construction and reconstruction of roads traveled by vehicles hauling ~~gravel~~ *aggregate material*;

(b) Thirty percent to the town road and bridge fund, for expenditure for maintenance, construction and reconstruction of roads traveled by vehicles hauling ~~gravel~~ *aggregate material*, in a manner determined by the county; and

(c) Ten percent to a special reserve fund which is hereby established, for expenditure for the restoration of abandoned ~~gravel~~ pits or deposits upon lands to which the county holds title or upon tax forfeited lands within the county.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 298.76, is amended to read:

298.76 [LOCAL LAWS, APPLICATION.]

Section 298.75 shall not supersede any local law, except that the provisions

of section 298.75, subdivisions 2 and 3, shall supersede the provisions of any local law. *A county that imposes or may impose a gravel tax pursuant to a local law may elect to be governed by the provisions of section 298.75 in lieu of the tax imposed pursuant to local law.*

Sec. 6. Laws 1961, Chapter 605, Section 1, is amended to read:

Section 1. Every person engaged in the business of removing gravel from gravel pits or deposits of gravel in Clay county, hereinafter called the operator, shall pay to said county an occupation tax in such amount as the board of county commissioners may determine to be necessary for the purposes set forth in section 5, but not to exceed ~~five~~ *ten* cents on each cubic yard of gravel removed from a gravel pit or deposit of gravel in Clay county after the effective date of this act. Such tax shall be computed and be due and payable as herein-after provided.

Sec. 7. [APPLICABILITY.]

On its effective date, section 6 applies to the county of Clay.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day following final enactment.

Section 6 is effective after local approval on the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, and shall apply for gravel removed from a pit or deposit after the date specified by the previous resolution of the county board by which the rate of the gravel tax in that county was increased from five cents to ten cents per cubic yard.

ARTICLE XIV: BLOOMINGTON COURT FACILITIES

Section 1. [BONDS FOR BLOOMINGTON COURT FACILITY.]

The city of Bloomington may issue general obligation bonds for the acquisition, construction or betterment of a court building and court related facilities, and parking for them, under Minnesota Statutes, Chapter 475, except as otherwise provided in this act. Before issuance of bonds, the city shall give three weeks published notice of the issuance. If a number of voters in the city equal 10 percent of those who voted for candidates for governor at the last gubernatorial election present a petition within six weeks of the first published notice to the city clerk requesting that the matter be submitted to popular vote, it shall be submitted at the next general election. If a majority of those voting on the question approve it or if no petition is presented within the prescribed time the city may issue the bonds and levy a tax in accordance with Minnesota Statutes, Section 475.61, to service the debt.

Sec. 2. [HENNEPIN COUNTY; LEASE AUTHORIZATION.]

The county of Hennepin and the city of Bloomington may enter into contracts for terms not to exceed ten years and may enter into leases in connection with court and court related activities. The term of any lease entered into by the county of Hennepin with the city of Bloomington shall not exceed the period required to service the debt on the bonds authorized by section 1. Lease payments shall be irrevocably pledged to the payment of the debt. Upon the retirement of the debt created under section 1, the city may lease space in the court building and related facilities to the county as the county may need for court purposes for periods not to exceed five years. If the city and the county

deem it to be in the best interests of the public served by the facilities, the county may purchase them after retirement of the debt, or upon guaranteeing the servicing of the debt, at mutually agreed upon terms.

Sec. 3. [SUITABILITY OF COURT FACILITIES.]

Nothing herein shall be construed to limit or restrict the power of a court provided by law to determine the suitability of any facilities constructed for court purposes under this act.

Sec. 4. [RELOCATION OF MUNICIPAL COURT.]

Notwithstanding the provisions of Minnesota Statutes, Section 488A.01, Subdivision 9, the county of Hennepin may relocate the municipal court serving the city of Bloomington and thereupon shall provide suitable quarters for the holding of regular terms of court in a southern suburban location within the county as may be designated by a majority of the judges of the court. All functions of the court may be discharged, including both court and jury trials of civil and criminal matters, at the location designated pursuant to this section. Nothing in this section shall be construed to reduce the level of services to the residents of the city of Bloomington.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the city council of the city of Bloomington and the board of county commissioners of Hennepin county.

ARTICLE XV: LAKE COUNTY JAIL

Section 1. [LAKE COUNTY; JAIL BONDS.]

Lake County may issue bonds for a county jail and levy an ad valorem tax for the payment of their principal and interest at whatever rate is necessary notwithstanding any contrary provision of Minnesota Statutes, Section 641.23 or other law. The bonds shall be issued in accordance with Minnesota Statutes, Chapter 475 but shall not be subject to any interest or debt limits prescribed by that chapter or other law. The interest rate shall not exceed the published yield for the Bond Buyer's Index of 20 municipals for the previous month plus one percent and rounded to the next highest percent per annum. Minnesota Statutes, Section 641.23, shall not be deemed to impose a limitation on the amount of bonds that may be issued pursuant to this section.

Sec. 2. [LOCAL APPROVAL.]

This act is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of Lake County.

ARTICLE XVI: LEASE PURCHASE AGREEMENTS

Section 1. Minnesota Statutes 1980, Section 168.012, is amended by adding a subdivision to read:

Subd. 10. If a vehicle is used for a purpose which would make it exempt pursuant to subdivision 1 but title is held by a seller or a vendor or is assigned to a third party under a lease purchase agreement or installment sale permitted under section 465.71, exemption shall be determined by the use rather than the holder of the title.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 297A.25, Subdivi-

sion 1, as amended by Laws 1981, Third Special Session Chapter 2, Article V, Section 2, is amended to read:

Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

(a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products, but not including foods which are prepared or specially sliced, wrapped, arranged or displayed, and sold cold or hot for immediate consumption on or off the premises on which the sale is made, whether sold in individual servings or in larger quantities, except food products which are not taxable pursuant to section 297A.01, subdivision 3, clause (c) and which are sold by a retailer, organized as a nonprofit corporation or association, within a place located on property owned by the state or an agency or instrumentality of the state, the entrance to which is subject to an admission charge;

(b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, uherapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic ca-chous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products, whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall

include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, Section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;

(j) The gross receipts from all sales, *including sales in which title is retained by a seller or a vendor or is assigned to a third party under an installment sale or lease purchase agreement under section 465.71*, of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions;

(k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale;

(l) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.

(m) The gross receipts from sales of airflight equipment and the storage, use or other consumption of such property by airline companies taxed under the provisions of sections 270.071 to 270.079. For purposes of this clause, "air-flight equipment" includes airplanes and parts necessary for the repair and maintenance of such airflight equipment, and flight simulators.

(n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.

(o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits mem-

bership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders;

(q) The gross receipts from the sale of caskets and burial vaults;

(r) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, Section 1901, as amended.

(s) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.

(t) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, Sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in Title 38 United States Code, Chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(u) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(v) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

(w) The gross receipt from the sale of residential heating fuels in the following manner:

(i) all fuel oil, coal, wood, steam, propane gas, and L.P. gas sold to residential customers for residential use;

(ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January, February, March and April;

(iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.

(x) The gross receipts from the sale or use of tickets or admissions to the

premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of section 290.05, subdivision 1, clause (i).

(y) The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:

(i) the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code as amended through December 31, 1978; and

(ii) the tangible personal property which is sold to or stored, used or consumed by the organization or auxiliary unit is for charitable, civic, educational, or nonprofit uses and not for social, recreational, pleasure or profit uses.

(z) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.

Sec. 3. Minnesota Statutes 1980, Section 297B.03, is amended to read:

297B.03 [EXEMPTIONS.]

There is specifically exempted from the provisions of this chapter and from computation of the amount of tax imposed by it the following:

(1) Purchase or use, *including use under a lease purchase agreement or installment sales contract made pursuant to section 465.71*, of any motor vehicle by any person described in and subject to the conditions provided in section 297A.25, subdivision 1, clauses (j), (p) and (s).

(2) Purchase or use of any motor vehicle by any person who was a resident of another state at the time of the purchase and who subsequently becomes a resident of Minnesota, provided the purchase occurred more than 60 days prior to the date such person moved his residence to the state of Minnesota.

(3) Purchase or use of any motor vehicle by any person making a valid election to be taxed under the provisions of section 297A.211.

(4) Purchase or use of any motor vehicle previously registered in the state of Minnesota by any corporation or partnership when such transfer constitutes a transfer within the meaning of sections 351 or 721 of the Internal Revenue Code of 1954, as amended through December 31, 1974.

Sec. 4. Minnesota Statutes 1980, Section 465.71, is amended to read:

465.71 [INSTALLMENT PURCHASES AND LEASE PURCHASES OF PROPERTY; HOME RULE CHARTER AND STATUTORY CITIES; COUNTIES AND SCHOOL DISTRICTS.]

~~A second, third or fourth class~~ home rule charter city, statutory city, county or school district may purchase real or personal property under an installment contract, *or lease personal property with an option to purchase under a lease purchase agreement*, by which *contract or agreement* title is retained by the seller or vendor *or assigned to a third party* as security for the purchase price,

including interest, if any, but such purchases are subject to statutory and charter provisions applicable to the purchase of real or personal property. 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. The obligation created by a lease purchase agreement shall not be included in the calculation of net debt for purposes of section 475.53, and shall not constitute debt under any other statutory provision. No election shall be required in connection with the execution of a lease purchase agreement authorized by this section. The city, county or school district shall have the right to terminate a lease purchase agreement at the end of any fiscal year during its term.

ARTICLE XVII: ESTATE TAX

Section 1. Minnesota Statutes 1980, Section 270.75, is amended by adding a subdivision to read:

Subd. 6. The provisions of this section shall not apply to interest payable on timely paid installment payments of estate tax permitted under sections 291.11, subdivision 1, or 291.132, subdivision 2.

Sec. 2. Minnesota Statutes 1980, Section 291.015, as amended by Laws 1981, Third Special Session Chapter 2, Article VI, Section 2, is amended to read:

291.015 [DETERMINATION OF MINNESOTA TAXABLE ESTATE.]

The Minnesota taxable estate of a decedent shall be the Minnesota gross estate less the sum of:

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

(2) The sum of

\$225,000 for decedents dying ~~after June 30, in 1982;~~
\$275,000 for decedents dying in 1983;
\$325,000 for decedents dying in 1984;
\$400,000 for decedents dying in 1985;
\$500,000 for decedents dying in 1986;
\$600,000 for decedents dying in 1987 and thereafter,

multiplied by a fraction, not greater than one, the numerator of which shall be the value of the Minnesota gross estate and the denominator of which shall be the value of the federal gross estate.

Sec. 3. Minnesota Statutes 1981 Supplement, Section 291.03, Subdivision 3, as amended by Laws 1981, Third Special Session Chapter 2, Article VI, Section 3, is amended to read:

Subd. 3. [1982.] In the case of a decedent dying ~~after June 30, in 1982,~~ subdivision 1, clause (1), shall be applied by substituting for the rates prescribed therein the following rates:

7 percent on the first \$75,000,
8 percent on the next \$100,000 or part thereof,
9 percent on the next \$100,000 or part thereof,
10 percent on the next \$200,000 or part thereof,

11 percent on the next \$500,000 or part thereof,
12 percent on the excess.

Sec. 4. Minnesota Statutes 1980, Section 291.051, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article VI, Section 4, is amended to read:

Subdivision 1. For the purpose of section 291.015, clause (1), the Minnesota taxable estate shall be determined by deducting from the Minnesota gross estate the value of any interest in property other than a terminable interest for which no deduction is allowed under section 2056(b) of the Internal Revenue Code, which passes or has passed from the decedent to his surviving spouse, but only to the extent that the interest is included in determining the value of the Minnesota gross estate and is not exempt from estate tax under sections 291.05 or 291.065. An interest in property shall be considered as passing from the decedent to his surviving spouse if it is considered as so passing under Section 2056(e) of the Internal Revenue Code.

Sec. 5. Minnesota Statutes 1980, Section 291.09, Subdivision 1a, as amended by Laws 1981, Third Special Session Chapter 2, Article VI, Section 5, is amended to read:

Subd. 1a. In all instances in which a decedent dies after December 31, 1979 and before January 1, 1981 leaving a federal gross estate in excess of \$161,000 and in all instances in which a decedent dies after December 31, 1980 and before ~~July~~ January 1, 1982 leaving a federal gross estate in excess of \$175,000, and the decedent has an interest in property with a situs in Minnesota, the personal representative shall submit to the commissioner, on a form prescribed by the commissioner, a Minnesota estate tax return.

In the case of a decedent dying after ~~June 30, 1982~~ December 31, 1981 who has an interest in property with a situs in Minnesota, the personal representative shall submit to the commissioner, on a form prescribed by the commissioner, a Minnesota estate tax return in the following instances:

In the case of a decedent dying in	A Minnesota estate tax return shall be filed if the federal gross estate equals or exceeds
1982	\$225,000
1983	275,000
1984	325,000
1985	400,000
1986	500,000
1987 and thereafter	600,000

The return shall be accompanied by a federal estate tax return and shall contain a computation of the Minnesota estate tax due. The return shall be signed by the personal representative.

Sec. 6. Minnesota Statutes 1980, Section 291.15, is amended to read:

291.15 [INTEREST.]

(H) Subdivision 1. If ~~such~~ the tax is not paid within nine months from the

accruing thereof, interest shall be charged and collected thereon at the rate specified in section 270.75 from the due date until the date the tax is paid. In the event a person or corporation upon proper authorization makes a payment to be applied against the tax thereafter, no interest shall accrue on the amount so paid. All payments shall be applied first to penalties, next to interest and then upon principal.

(2) ~~In the event that Subd. 2. If the amount applied against the tax exceeds the tax as determined by the commissioner of revenue, the commissioner shall upon proper application order the refundment without interest. The commissioner of finance shall cause such the refund to be paid out of the proceeds of the tax imposed by this chapter, and so much of said the proceeds as are sufficient to make the refund are hereby appropriated.~~

Subd. 3. Interest shall be paid on installment payments of the tax authorized under section 291.11, subdivision 1, or 291.132, subdivision 2, at the rate of eight percent per year if the taxpayer has prior to February 1, 1982, notified the commissioner of revenue in writing of his intention to pay the tax in installments. Interest shall be paid on installment payments paid under subsequently filed notices at the rate of 12 percent per year.

Sec. 7.

Any interest paid on installment payments of estate taxes under the provisions of Laws 1981, Third Special Session Chapter 2, Article III, Section 1, at a higher rate than the rate provided in section 6 shall be credited to interest subsequently required to be paid by the taxpayer.

Sec. 8. Laws 1981, Third Special Session Chapter 2, Article VI, Section 8, is amended to read:

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective for estates of decedents dying after ~~June 30, 1982~~ December 31, 1981, provided that the provisions of PL 97-34 that are made retroactive pursuant to section 421(k)(5) shall be effective for estates of decedents dying after December 31, 1979.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 8 are effective the day following final enactment.

ARTICLE XVIII: SALES TAX

Section 1. Minnesota Statutes 1981 Supplement, Section 297A.25, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article V, Section 2, is amended to read:

Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

(a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products, but not including foods which are prepared or specially sliced, wrapped, arranged or displayed, and sold cold or hot for immediate consump-

tion on or off the premises on which the sale is made, whether sold in individual servings or in larger quantities, except food products which are not taxable pursuant to section 297A.01, subdivision 3, clause (c) and which are sold by a retailer, organized as a nonprofit corporation or association, within a place located on property owned by the state or an agency or instrumentality of the state, the entrance to which is subject to an admission charge;

(b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, uherapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota *by the purchaser* and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); *provided that the property is not subject to tax in that state or county to which it is transported for storage or use, or, if subject to tax in that other state, that state allows a similar exemption for property purchased therein and transported to Minnesota for use in this state; except that sales of farm machinery that is shipped or transported for use outside Minnesota shall be taxed at the rate of the use tax imposed by the state to which the property is shipped or transported; and provided further that sales of tangible personal property to be used in other states or countries as part of a maintenance contract shall be specifically exempt;* or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or

imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic ca-chous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, Section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained

therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;

(j) The gross receipts from all sales of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions;

(k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale;

(l) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.

(m) The gross receipts from sales of aircraft equipment and the storage, use or other consumption of such property by airline companies taxed under the provisions of sections 270.071 to 270.079. For purposes of this clause, "air-flight equipment" includes airplanes and parts necessary for the repair and maintenance of such aircraft equipment, and flight simulators.

(n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.

(o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders;

(q) The gross receipts from the sale of caskets and burial vaults;

(r) The gross receipts from the sale of an automobile or other conveyance if

the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, Section 1901, as amended.

(s) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.

(t) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, Sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in Title 38 United States Code, Chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(u) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(v) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

(w) The gross receipt from the sale of residential heating fuels in the following manner:

(i) all fuel oil, coal, wood, steam, propane gas, and L.P. gas sold to residential customers for residential use;

(ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January, February, March and April;

(iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.

(x) The gross receipts from the sale or use of tickets or admissions to the premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of section 290.05, subdivision 1, clause (i).

(y) The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:

(i) the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code as amended through December 31, 1978; and

(ii) the tangible personal property which is sold to or stored, used or consumed by the organization or auxiliary unit is for charitable, civic, educational, or nonprofit uses and not for social, recreational, pleasure or profit uses.

(z) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective for sales made after June 30, 1982.

ARTICLE XIX: ATHLETES AND ENTERTAINERS

Section 1. Minnesota Statutes 1981 Supplement, Section 290.17, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article 3, Section 13, is amended to read:

Subd. 2. [OTHER TAXPAYERS.] In the case of taxpayers not subject to the provisions of subdivision 1, items of gross income shall be assigned to this state or other states or countries in accordance with the following principles:

(1) (a) The entire income of all resident or domestic taxpayers from compensation for labor or personal services, or from a business consisting principally of the performance of personal or professional services, shall be assigned to this state, and the income of nonresident taxpayers from such sources shall be assigned to this state if, and to the extent that, the labor or services are performed within it; all other income from such sources shall be treated as income from sources without this state.

(b) *In the case of an individual who is a nonresident of Minnesota and who is an athlete or entertainer, income from compensation for labor or personal services performed within this state shall be determined in the following manner.*

(i) *The amount of income to be assigned to Minnesota for an individual who is a nonresident salaried athletic team employee shall be determined by using a fraction in which the denominator contains the total number of days in which the individual is under a duty to perform for the employer, and the numerator is the total number of those days spent in Minnesota. In order to eliminate the need to file state or provincial income tax returns in several states or provinces, Minnesota will exclude from income any income assigned to Minnesota under the provisions of this clause for a nonresident athlete who is employed by an athletic team whose operations are not based in this state if the state or province in which the athletic team is based provides a similar income exclusion. If the state or province in which the athletic team's operations are based does not have an income tax on an individual's personal service income, it will be deemed that that state or province has a similar income exclusion. As used*

in the preceding sentence, the term "province" means a province of Canada.

(ii) The amount of income to be assigned to Minnesota for an individual who is a nonresident, and who is an athlete not listed in clause (i), or who is an entertainer, for that person's athletic or entertainment performance in Minnesota shall be determined by assigning to this state all income from performances or athletic contests in this state.

(2) Income from the operation of a farm shall be assigned to this state if the farm is located within this state and to other states only if the farm is not located in this state. Income and gains received from tangible property not employed in the business of the recipient of such income or gains, and from tangible property employed in the business of such recipient if such business consists principally of the holding of such property and the collection of the income and gains therefrom, shall be assigned to this state if such property has a situs within it, and to other states only if it has no situs in this state. Income or gains from intangible personal property not employed in the business of the recipient of such income or gains, and from intangible personal property employed in the business of such recipient if such business consists principally of the holding of such property and the collection of the income and gains therefrom, wherever held, whether in trust, or otherwise, shall be assigned to this state if the recipient thereof is domiciled within this state; income or gains from intangible personal property wherever held, whether in trust or otherwise shall be assigned to this state if the recipient of such income or gains is domiciled within this state, or if the grantor of any trust is domiciled within this state and such income or gains would be taxable to such grantor under section 290.28 or 290.29;

(3) Income derived from carrying on a trade or business, including in the case of a business owned by natural persons the income imputable to the owner for his services and the use of his property therein, shall be assigned to this state if the trade or business is conducted wholly within this state, and to other states if conducted wholly without this state. This provision shall not apply to business income subject to the provisions of clause (1);

(4) When a trade or business is carried on partly within and partly without this state, the entire income derived from such trade or business, including income from intangible property employed in such business and including, in the case of a business owned by natural persons, the income imputable to the owner for his services and the use of his property therein, shall be governed, except as otherwise provided in sections 290.35 and 290.36, by the provisions of section 290.19, notwithstanding any provisions of this section to the contrary. This shall not apply to business income subject to the provisions of clause (1), nor shall it apply to income from the operation of a farm which is subject to the provisions of clause (2). For the purposes of this clause, a trade or business located in Minnesota is carried on partly within and partly without this state if tangible personal property is sold by such trade or business and delivered or shipped to a purchaser located outside the state of Minnesota.

If the trade or business carried on wholly or partly in Minnesota is part of a unitary business, the entire income of that unitary business shall be subject to apportionment under section 290.19. The term "unitary business" shall mean a number of business activities or operations which are of mutual benefit, dependent upon, or contributory to one another, individually or as a group.

Unity shall be presumed whenever there is unity of ownership, operation, and use, evidenced by centralized management or executive force, centralized purchasing, advertising, accounting, or other controlled interaction. Unity of ownership will not be deemed to exist unless the corporation owns more than 50 percent of the voting stock of the other corporation.

The entire income of a unitary business, including all income from each activity, operation or division, shall be subject to apportionment as provided in section 290.19. None of the income of a unitary business shall be considered as derived from any particular source and none shall be allocated to any particular place except as provided by the applicable apportionment formula.

In determining whether or not intangible property is employed in a unitary business carried on partly within and partly without this state so that income derived therefrom is subject to apportionment under section 290.19 the following rules and guidelines shall apply.

(a) Intangible property is employed in a business if the business entity owning intangible property holds it as a means of furthering the business operation of which a part is located within the territorial confines of this state.

(b) Where a business operation conducted in Minnesota, is owned by a business entity which carries on business activity outside of the state different in kind from that conducted within this state, and such other business is conducted entirely outside the state, it will be presumed that the two business operations are unitary in nature, interrelated, connected and interdependent unless it can be shown to the contrary.

(5) In the case of a nonresident who is liable for payment of a penalty for having withdrawn funds from an individual housing account established pursuant to section 290.08, subdivision 25, the amount so withdrawn and for which a deduction was allowed shall be an item of income assignable to this state, and the penalty tax of ten percent shall remain an additional liability of that taxpayer.

(6) For purposes of this section, amounts received by a non-resident from the United States, its agencies or instrumentalities, the Federal Reserve Bank, the state of Minnesota or any of its political or governmental subdivisions, or a Minnesota volunteer fireman's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, or as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954, as amended through December 31, 1979, are not considered income derived from carrying on a trade or business or from performing personal or professional services in Minnesota, and are not taxable under this chapter.

(7) All other items of gross income shall be assigned to the taxpayer's domicile.

Sec. 2. Minnesota Statutes 1980, Section 290.19, Subdivision 1, is amended to read:

Subdivision 1. [COMPUTATION, BUSINESS CONDUCTED PARTLY WITHIN STATE; APPORTIONMENT.] The taxable net income from a trade or business carried on partly within and partly without this state shall be computed by deducting from the gross income of such business, wherever

derived, deductions of the kind permitted by section 290.09, so far as connected with or allocable against the production or receipt of such income. The remaining net income shall be apportioned to Minnesota as follows:

(1) If the business consists of the mining, producing, smelting, refining, or any combination of these activities of copper and nickel ores, or of the manufacture of personal property and the sale of said property within and without the state, the remainder shall be apportioned to Minnesota on the basis of the percentage obtained by taking the arithmetical average of the following three percentages:

(a) The percentage which the sales made within this state is of the total sales wherever made;

(b) The percentage which the total tangible property, real, personal, and mixed, owned or rented, and used by the taxpayer in this state during the tax period in connection with such trade or business is of the total tangible property, real, personal, or mixed, wherever located, owned or rented and, used by the taxpayer in connection with such trade or business during the tax period; and,

(c) The percentage which the taxpayer's total payrolls paid or incurred in this state or paid in respect to labor performed in this state in connection with such trade or business is of the taxpayer's total payrolls paid or incurred in connection with such entire trade or business;

(d) The percentage of such remainder to be assigned to this state shall not be in excess of the sum of the following percentages: 70 percent of the percentage determined under clause (1) (a), 15 percent of the percentage determined under clause (1) (b), and 15 percent of the percentage determined under clause (1) (c);

(2) (a) In all other cases the remainder shall be apportioned to Minnesota on the basis of the percentage obtained by taking the arithmetical average of the following three percentages:

(1) The percentage which the sales, gross earnings, or receipts from business operations, in whole or in part, within this state bear to the total sales, gross earnings, or receipts from business operations wherever conducted;

(2) The percentage which the total tangible property, real, personal, and mixed, owned or rented, and used by the taxpayer in this state during the tax period in connection with such trade or business is of the total tangible property, real, personal, or mixed, wherever located, owned, or rented, and used by the taxpayer in connection with such trade or business during the tax period; and

(3) The percentage which the taxpayer's total payrolls paid or incurred in this state or paid in respect to labor performed in this state in connection with such trade or business is of the taxpayer's total payrolls paid or incurred in connection with such entire trade or business;

(4) The percentage of such remainder to be assigned to this state shall not be in excess of the sum of the following percentages: 70 percent of the percentage determined under clause (2) (a) (1), 15 percent of the percentage determined under clause (2) (a) (2), and 15 percent of the percentage determined under clause (2) (a) (3);

(b) If the methods prescribed under clause (2) (a) will not properly reflect

taxable net income assignable to the state, there may be used, if practicable and if such use will properly and fairly reflect such income, the percentage which the sales, gross earnings, or receipts from business operations, in whole or in part, within this state bear to the total sales, gross earnings, or receipts from business operations wherever conducted; or the separate or segregated accounting method; *however, for athletic teams when the visiting team does not share in the gate receipts, all of the team's income is apportioned to the state in which the team's operation is based;*

(3) The sales, payrolls, earnings, and receipts referred to in this section shall be those for the taxable year in respect of which the tax is being computed. The property referred to in this section shall be the average of the property owned or used by the taxpayer during the taxable year in respect of which the tax is being computed.

Sec. 3. Minnesota Statutes 1980, Section 290.92, Subdivision 4a, is amended to read:

Subd. 4a. [TAX WITHHELD FROM NONRESIDENTS.] (1) ["WAGES" PAID TO NONRESIDENT EMPLOYEES.] For the purposes of this section: The term "wages" means all remuneration taxable under this chapter including all remuneration paid to a nonresident employee for services performed in this state.

(2) ["EMPLOYER", "WAGES" AND "EMPLOYEE" CONCERNING NONRESIDENTS.] Notwithstanding any other provision of this section, under rules and regulations to be prescribed by the commissioner of revenue, for purposes of this section any person having control, receipt, custody, disposal or payment of compensation taxable under this chapter and earned by a nonresident for personal services, shall be deemed an employer, any compensation taxable under this chapter and earned by a nonresident for personal services shall be deemed wages, and a nonresident entitled to compensation taxable under this chapter and earned by him for personal services shall be deemed an employee.

When compensation for personal services is paid to a corporation in which all or substantially all of the shareholders are individual entertainers, performers or athletes who gave an entertainment or athletic performance in this state for which the compensation was paid, the compensation shall be deemed wages of the individual entertainers, performers or athletes and shall be subject to the provisions of this section. Advance payments of compensation for personal services to be performed in Minnesota shall be deemed wages and subject to the provisions of this section. The individual, and not the corporation, shall be subject to the Minnesota income tax as provided in this chapter on the compensation for personal services.

(3) [NONRESIDENTS, EMPLOYER'S DUTY.] The employer of any employee domiciled in a state with which Minnesota has reciprocity under section 290.081 is not required to withhold under this chapter from the wages earned by such employee in this state.

Sec. 4. [EFFECTIVE DATE.]

Section 1 is effective for taxable years ending after the date of final enactment. Sections 2 and 3 are effective the day after final enactment.

Section 1. Minnesota Statutes 1981 Supplement, Section 273.11, Subdivision 7, is amended to read:

Subd. 7. [AGRICULTURAL LAND.] *Tillable agricultural land shall be valued at the lesser of its market value or the value which could be derived from its average free market gross rental rate capitalized at a rate of 5.8 percent. Each county assessor shall survey the farm rental values of each grade of farmland in each township in the county. This information shall be used in reviews of valuations by the town boards of review and shall determine a farm rental value to be used for the assessment of each grade. The values so determined shall be presented to township boards of review at their annual meetings held pursuant to section 274.01 in the year prior to that in which those values might be used in determining tillable agricultural land values. The boards of review and any property owners may present their comments on the values, including any evidence indicating that the values are inaccurate, by December 1 of the year when the values were presented to the board. The county assessor shall make his final determination of assessed valuations for January 2 of the subsequent year based on his determinations of the farm rental values as modified by any comments of board members or other property owners that he finds persuasive.*

Sec. 2. Minnesota Statutes 1980, Section 273.11, is amended by adding a subdivision to read:

Subd. 8. [COMMERCIAL PROPERTY.] *In valuing a commercial office building where construction has been completed and occupancy established, if the owner of the income producing property submits income and expense information, the assessor shall develop the economic value as determined by the earning potential of the property. In addition, the assessor may use other methods deemed appropriate. In using the economic value approach, the market value of the property shall be determined by capitalizing the net economic rental income of the building obtainable by sound and reasonable management.*

If the owner of the income producing property submits income and expense information, he shall furnish the assessor with a statement of estimated operating income and operating expenses for the current assessment year, and if statements have not been previously furnished to the assessor, statements of actual operating income and operating expenses for the three previous years or for the number of years in which the owner has owned the property, whichever is less. The statements shall include, where applicable, average vacancies, net rental and net usable areas, and rental rates and schedules. All data consisting of statements of estimated operating income and operating expenses furnished under this paragraph to the assessor or his employees or agents shall be classified as private data on individuals pursuant to section 15.162, subdivision 5a, or as non-public data pursuant to section 15.162, subdivision 5c, whichever is appropriate.

If the assessor is not provided income and expense information as referenced above, the assessor shall utilize the other methods of determining property valuation authorized in this section.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment for valuations for

taxes levied in 1983, payable in 1984 and thereafter.

Section 2 is effective for assessments occurring in 1983 and thereafter for property taxes payable in 1984 and thereafter.

ARTICLE XXI: BORDER CITIES

Section 1. [EQUALIZATION ZONES FOR BORDER COMMUNITIES.]

The department of energy, planning and development shall evaluate the local and regional impact of the economic and fiscal distress on Minnesota communities which have a contiguous border with a city in another state or which are in close proximity to a city in another state. The department shall report its findings to the legislature by January 1, 1983. Also included in this report shall be the designation of equalization zones for communities most severely distressed, and recommendations for measures to be taken by the legislature to reduce the economic and fiscal disparities identified in communities designated as equalization zones.

Sec. 2. [CITIES OF DULUTH, MOORHEAD, EAST GRAND FORKS, AND BRECKENRIDGE MAY SET CLASSIFICATION RATIOS.]

Subdivision 1. [CLASSIFICATION RATIOS SET BY RESOLUTION.] Notwithstanding the provisions of Minnesota Statutes, Section 273.13, or any other law to the contrary, the governing bodies of the cities of Duluth, Moorhead, East Grand Forks, and Breckenridge may each by resolution establish the percentages by which the market value of all classes of property located within the city are assessed for purposes of the city property tax levy. The resolution shall state the assessment years for which the classification ratios apply.

Subd. 2. [REFERENDUM.] The resolution shall be published in the official newspaper of the city or if there is no official newspaper, in a newspaper of general circulation therein. If within 30 days thereafter, a petition signed by eligible voters equal in number to ten percent of the votes cast in the last general election requesting a referendum on the resolution is filed with the city clerk, the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum.

Subd. 3. [AUDITOR TO CALCULATE TAX.] The classification ratios established by the city under this section shall be forwarded to the county auditor by October 1 in the first assessment year for which the classification ratios are effective. For assessment years in which the resolution is effective, the auditor shall determine the mill rate and the tax amounts required to raise the amount of the city levy on the assessed valuations determined pursuant to the classification ratios established by the city. For all other taxing jurisdictions and for determination of the homestead credit provided by section 273.13, subdivisions 6, 7 and 14a, the replacement aid provided by section 273.139, the school agricultural credit provided by section 124.213 and the property tax refund provided by section 290A.04 the auditor shall calculate the taxes as otherwise provided by law. The adjusted assessed value determined pursuant to section 124.212, subdivision 11a shall be determined as if the classification ratios provided by section 273.13 were in effect.

Sec. 3. [APPLICABILITY; LOCAL APPROVAL; EFFECTIVE DATE.]

Section 1 applies individually to the cities of Duluth, Moorhead, East Grand Forks, and Breckenridge. Section 2 is effective pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a), without local approval on the day after final enactment.

ARTICLE XXII: ST. PAUL HOTEL TAX**Section 1. [HOTEL AND MOTEL TAX.]**

A tax, supplemental to the general sales tax imposed by Minnesota Statutes, Chapter 297A, is imposed on transient lodging in the city of St. Paul at a rate equal to four percent of the consideration paid for lodging and related services by a hotel, rooming house, tourist court, motel or trailer camp or for the granting of any similar license to use real property. The tax does not apply to a rental or lease for 30 or more days continuously. This tax supersedes any similar tax imposed pursuant to city charter. The tax shall be collected by and its proceeds paid to the city and the tax shall be used for the payment of the bonds and any interest or premium on the bonds authorized by section 2. The tax expires upon the payment of the bonds authorized by section 2.

Sec. 2. [BONDING AUTHORITY; PLEDGE OF SECURITY.]

The city of Saint Paul may, by resolution, authorize, issue and sell general obligation or special obligation bonds in an amount not to exceed \$4,000,000 to finance any expenditure for the repair, remodeling, equipping, construction, reconstruction and betterment of the civic center parking ramp. Except as provided by this section the bonds shall be authorized, issued and sold in the same manner and subject to the conditions provided in Minnesota Statutes, Chapter 475. Any special tax imposed by section 1 in the city of Saint Paul, any tax increment generated by private development in, and net revenues from, the operation of the civic center complex shall be pledged in whole to the payment of the bonds authorized by this act and the interest and any premium on them. When any revenues, tax increment, or any special tax imposed by the city are pledged in whole or part for the repayment of general obligation bonds authorized by this act, including any interest or premium on them, the estimated collections of the revenues or taxes pledged shall be deducted from the general ad valorem taxes otherwise required to be levied before the issuance of the bonds under Minnesota Statutes, Section 475.61, Subdivision 1, or the collections of them may be certified annually to reduce or cancel the initial tax levies in accordance with Minnesota Statutes, Section 475.61, Subdivision 1 or 3. Notwithstanding any contrary provision of Minnesota Statutes, Chapter 475, or any other law or charter provision, the bonds may be authorized, issued and sold without a vote of the electorate and without limit as to interest rate and the issue shall not be included in the net debt or per capita tax limitations of the city. If the bonds are special obligation bonds, the city may exercise any of the powers granted an authority for issuing revenue bonds under Minnesota Statutes, Section 273.77, paragraph (c).

Sec. 3. [STATUTORY EXCEPTION.]

The taxes imposed by this article are effective notwithstanding Minnesota Statutes, Section 477A.016, or other law.

Sec. 4. [EFFECTIVE DATE.]

This article is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of St. Paul.

ARTICLE XXIII: TOURISM PROJECTS

Section 1. Minnesota Statutes 1980, Section 474.02, Subdivision 1b, is amended to read:

Subd. 1b. In furtherance of the purpose specified in sections 301A.02 and 474.01, the term "project" shall include any properties, real or personal, ~~located outside the metropolitan area defined in section 473.122,~~ used or useful for the promotion of tourism in the state. Such Properties may include hotels, motels, lodges, resorts, recreational facilities of the type which may be acquired under section 471.191, and related facilities. ~~The provisions of this subdivision shall not apply to municipalities located in whole or in part in the metropolitan area as defined in section 473.122.~~

ARTICLE XXIV: OLMSTED COUNTY

Section 1. [OLMSTED COUNTY RECORDER'S FEES.]

The Olmsted County recorder may waive the security deposit requirement of Minnesota Statutes, Section 386.78, and extend credit for the payment of charges to financial institutions and attorneys.

Sec. 2. [EFFECTIVE DATE.]

This article is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the Olmsted County board.

ARTICLE XXV: SOUTH ST. PAUL PORT AUTHORITY

Section 1. [SOUTH ST. PAUL; PORT AUTHORITY.]

The governing body of the city of South St. Paul may exercise all the powers of a port authority provided by Minnesota Statutes, Chapter 458.

Sec. 2. [LOCAL APPROVAL.]

This article is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of South St. Paul.

ARTICLE XXVI: CAMPAIGN FINANCING

Section 1. Minnesota Statutes 1981 Supplement, Section 10A.31, Subdivision 5, is amended to read:

Subd. 5. In each calendar year the moneys in each party account and the general account shall be allocated to candidates as follows:

- (1) 21 percent for the offices of governor and lieutenant governor together;
- (2) 3.6 percent for the office of attorney general;
- (3) 1.8 percent each for the offices of secretary of state, state auditor and state treasurer;
- (4) In each calendar year during the period in which state senators serve a four year term, 23-1/3 percent for the office of state senator and 46-2/3 percent for the office of state representative;
- (5) In each calendar year during the period in which state senators serve a

two year term, 35 percent each for the offices of state senator and state representative;

(6) To assure that moneys will be returned to the counties from which they were collected, and to assure that the distribution of those moneys rationally relates to the support for particular parties or for particular candidates within legislative districts, moneys from the party accounts for legislative candidates shall be distributed as follows:

Each candidate for the state senate and state house of representatives whose name is to appear on the ballot in the general election shall receive moneys from his party account set aside for candidates of the state senate or state house of representatives, whichever applies, according to the following formula;

For each county within his district the candidate's share of the dollars allocated in that county to his party account and set aside for that office shall be:

(a) The sum of the votes cast in the last general election in that part of the county in his district for all candidates of his party (i) whose names appeared on the ballot in each voting precinct of the state and (ii) for the state senate and state house of representatives, divided by

(b) The sum of the votes cast in that county in the last general election for all candidates of his party (i) whose names appeared on the ballot in each voting precinct in the state and (ii) for the state senate and state house of representatives, multiplied by

(c) The amount in his party account allocated in that county and set aside for the candidates for the office for which he is a candidate.

The sum of all the county shares calculated in the formula above is the candidate's share of his party account.

In a year in which an election for the state senate occurs, with respect to votes for candidates for the state senate only, "last general election" means the last general election in which an election for the state senate occurred.

For any party under whose name no candidate's name appeared on the ballot in each voting precinct in the state in the last general election, "last general election" means the last general election in which the name of a candidate of that party appeared on the ballot in each voting precinct in the state.

In a year in which the first election after a legislative reapportionment is held, "his district" means the newly drawn district, and voting data from the last general election will be applied to the area encompassing the newly drawn district notwithstanding that the area was in a different district in the last general election.

If in a district there was no candidate of a party for the state senate or state house of representatives in the last general election, or if a candidate for the state senate or state house of representatives was unopposed, the vote for that office for that party shall be the average vote of all the remaining candidates of that party in each county of that district whose votes are included in the sums in clauses (a) and (b). The average vote shall be added to the sums in clauses (a) and (b) before the calculation is made for all districts in the county.

Money from a party account not distributed to candidates for state senator and representative in any election year shall be returned to the general fund of

the state. Money from a party account not distributed to candidates for other offices in an election year shall be returned to the party account for reallocation to candidates as provided in clauses (1) to (6) of this subdivision in the following year. Moneys from the general account refused by any candidate shall be distributed to all other qualifying candidates in proportion to their shares as provided in this subdivision.

ARTICLE XXVII: RENTER'S CREDIT

Section 1. Minnesota Statutes 1981 Supplement, Section 290A.03, Subdivision 8, is amended to read:

Subd. 8. [CLAIMANT.] "Claimant" means a person, other than a dependent, who filed a claim authorized by sections 290A.01 to 290A.20 and who was domiciled in this state during the calendar year for which the claim for relief was filed. In the case of a claim relating to rent constituting property taxes, the claimant shall have resided in a rented or leased unit on which ad valorem taxes or payments made in lieu of ad valorem taxes, including payments of special assessments imposed in lieu of ad valorem taxes, are payable at some time during the calendar year covered by the claim; ~~except that a claimant who is disabled or who has attained the age of 65 on the date specified in section 290A.04, subdivision 1, may file a claim based on residence in a nursing home on which ad valorem taxes were not payable.~~ "Claimant" shall not include a resident of a nursing home, intermediate care facility, or long term residential facility whose rent constituting property taxes is paid pursuant to the supplemental security income program under Title XVI of the social security act, the Minnesota supplemental aid program under sections 256D.35 to 256D.41, the medical assistance program pursuant to Title XIX of the social security act, or the general assistance medical care program pursuant to section 256D.03, Subdivision 3. If only a portion of the rent constituting property taxes is paid by these programs, the resident shall be a claimant for purposes of this chapter, but the refund calculated pursuant to section 290A.04 shall be multiplied by a fraction, the numerator of which is income as defined in subdivision 3 reduced by the total amount of income from the above sources other than vendor payments under the medical assistance program or the general assistance medical care program and the denominator of which is income as defined in subdivision 3 plus vendor payments under the medical assistance program or the general assistance medical care program, to determine the allowable refund pursuant to this chapter. In the case of a claim for rent constituting property taxes of a part year resident, the income and rental reflected in this computation shall be for the period of Minnesota residency only. Any rental expenses paid which may be reflected in arriving at federal adjusted gross income cannot be utilized for this computation. When two individuals of a household are able to meet the qualifications for a claimant, they may determine among them as to who the claimant shall be. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final. If a homestead property owner was a part year resident, the income reflected in the computation made pursuant to section 290A.04 shall be for the entire calendar year, including income not assignable to Minnesota.

If a homestead is occupied by two or more renters, who are not husband and wife, the rent shall be deemed to be paid equally by each, and separate claims shall be filed by each. The income of each shall be his household income for

purposes of computing the amount of credit to be allowed.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective for claims based on rent paid in 1982 and thereafter.

ARTICLE XXVIII: SPECIAL SERVICE DISTRICTS

Section 1. [DEFINITIONS.]

Subdivision 1. For the purpose of sections 1 to 12 the terms defined in this section have the following meanings.

Subd. 2. "Municipality" means the city of Minneapolis or the city of St. Cloud, whichever is applicable.

Subd. 3. "Special services" means all services rendered or contracted for by a municipality, including, but not limited to, (a) the repair, maintenance, operation and construction of any improvements authorized by Minnesota Statutes, Section 429.021; (b) parking services rendered or contracted for by a municipality; and (c) any other service provided to the public by a municipality authorized by any law or charter provision to provide the service. Special services shall not include services which are ordinarily provided throughout the municipality from general fund revenues of the municipality unless an increased level of the service is provided in the special service district.

Subd. 4. "Special service district" means a defined area within a municipality in which special services are rendered and the costs of the special services are paid from revenues collected from taxes and service charges imposed within that area.

Subd. 5. "Assessed value" means the assessed value as most recently certified by the commissioner of revenue as of the effective date of the ordinance or resolution adopted pursuant to section 2 or 3.

Subd. 6. "Land area" means the land area located within the district which is subject to property taxation.

Sec. 2. [ESTABLISHMENT OF SPECIAL SERVICE DISTRICT.]

Subdivision 1. [ORDINANCE.] The governing body of a municipality may adopt an ordinance establishing a special service district. The ordinance shall describe with particularity the area within the municipality to be included in the district and the special services to be furnished within the district. The ordinance may not be adopted until after a public hearing has been held on the question. Notice of the hearing shall include:

(a) The time and place of hearing;

(b) The boundaries of the area by legal description and by street location where possible; and

(c) A statement that all persons owning property in the proposed special service district will be given opportunity to be heard at the hearing.

Subd. 2. [NOTICE.] Notice of the hearing shall be given by publication in two issues of the official newspaper of the municipality. The two publications shall be a week apart and the hearing shall be held at least three days after the last publication. Not less than ten days before the hearing, notice shall also be mailed to the owner of each parcel within the area proposed to be included in

the special service district. For the purpose of giving mailed notice, owners shall be those shown on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer. Other records may be used to supply the necessary information. For properties which are tax exempt or subject to taxation on a gross earnings basis in lieu of property tax and are not listed on the records of the county auditor or the county treasurer, the owners shall be ascertained by any practicable means and mailed notice given them. At the public hearing any person affected by the proposed special services district may be heard orally in respect to any issues embodied in the notice. The hearing may be adjourned from time to time and the ordinance establishing the special services district may be adopted at any time within six months after the date of the conclusion of the hearing by a vote of the majority of the governing body of the municipality.

Sec. 3. [RATE OF TAX; NOTICE AND HEARING REQUIREMENTS.]

Subdivision 1. [TAXES; HEARING.] Ad valorem taxes may be levied on taxable real property or service charges may be imposed by the municipality within the special service district at a rate or amount sufficient to produce revenues required to provide special services within the district. For purposes of determining the appropriate mill rate, taxable property or value shall be determined without regard to captured or original assessed value under section 273.76 or to the distribution or contribution value under section 473F.08. Taxes and service charges shall not be imposed to finance a special service if the service is ordinarily provided by the municipality from general fund revenues of the municipality unless the service is provided in the special service district at an increased level, in which case only an amount to pay for the increased level may be imposed. A service charge shall not be imposed on the receipts from the sale of intoxicating liquor, food, or lodging. Prior to the levy of taxes or imposition of service charges in a special service district, for each calendar year notice shall be given and hearing shall be held pursuant to section 2 except that notice shall also be mailed to any individual or business organization subject to a service charge. For purposes of this section the notice shall also include:

(a) A statement that all interested persons will be given an opportunity to be heard at the hearing regarding a proposed tax levy or service charge.

(b) The estimated cost of improvements to be paid for in whole or in part by taxes or service charges imposed pursuant to this section, the estimated cost of operating and maintaining the improvements during the first year after completion of the improvements, and the proposed method and source of financing the improvements and the annual cost of operating and maintaining the improvements.

(c) The proposed rate or amount of taxes to be extended or the proposed service charge to be imposed in the special service district during the calendar year and the nature and character of special services to be rendered in the special service district during the calendar year.

(d) A statement that the petition requirements of section 9 have either been met or do not apply to the proposed taxes or service charge.

Within six months of the public hearing, the municipality may adopt a resolution levying a tax or imposing a service charge within the special service

district not exceeding the amount or rate expressed in the notice issued pursuant to this section.

Subd. 2. [EXEMPTION OF CERTAIN PROPERTIES FROM TAXES.]
Property exempted from taxation by Minnesota Statutes, Section 272.02, shall be exempted from any ad valorem taxes imposed pursuant to sections 1 to 12.

Sec. 4. [ENLARGEMENT OF SPECIAL SERVICE DISTRICTS.]

Boundaries of a special service area may be enlarged only after hearing and notice as provided in sections 2 and 3. Notice shall be served in the original special service district and in the area proposed to be added to the special service district. Property added to the district shall be subject to all taxes levied and service charges imposed within the district after the property becomes a part of the district. The petition requirement in section 9 and the veto power in section 10 shall only apply to owners and individuals and business organizations in the area proposed to be added to the special service district.

Sec. 5. [COLLECTION OF TAXES.]

Ad valorem taxes levied within a special service district shall be collected and paid over as other taxes, but shall be spread only upon the assessed value of property described in the ordinance. Service charges imposed shall be collected as provided by ordinance. Ad valorem taxes levied pursuant to this chapter shall be remitted directly to the municipality notwithstanding Minnesota Statutes, Section 273.76 and Chapter 473F.

Sec. 6. [BONDS.]

At any time after a contract for the construction of all or part of an improvement authorized pursuant to this chapter has been entered into or the work has been ordered done by day labor, the governing body may issue obligations in the amount it deems necessary to defray in whole or in part the expense incurred and estimated to be incurred in making the improvement, including every item of cost from inception to completion and all fees and expenses incurred in connection with the improvement or its financing. The obligations shall be payable primarily out of the proceeds of the tax levied pursuant to section 3. The governing body may, by resolution adopted prior to the sale of obligations, pledge the full faith, credit and taxing power of the municipality to assure payment of the principal and interest if the proceeds of the tax levy in the district are insufficient to pay the principal and interest. Obligations shall be issued in accordance with Minnesota Statutes, Chapter 475, except that an election shall not be required, and the amount of the obligations shall not be included in determining the net indebtedness of the municipality under the provisions of any law or charter limiting indebtedness.

Sec. 7. [LEVY LIMIT EXCEPTION.]

Taxes and service charges imposed pursuant to this act shall not be included in the calculation of levies or limits on levies provided by other law or home rule charter provision.

Sec. 8. [ADVISORY BOARD.]

The governing body of a municipality may create and appoint an advisory board for each special service district in the municipality to advise the governing body in connection with the construction, maintenance and operation of

improvements and the furnishing of special services in a special service district. The advisory board shall make recommendations to the governing body on the requests and complaints of owners, occupants and users of property within the special service district and members of the public. Prior to the adoption of any proposal by the governing body to provide services or impose taxes or service charges within the special service district, the advisory board of the special service district shall review and comment upon such proposal. Each advisory board shall be appointed at least 30 days prior to the date of a public hearing on the ordinance proposing the establishment of the special service district. Seventy-five percent of the members of each advisory board shall be owners or occupants of property located in the special service district or their representatives. If, following the adoption of the special service district boundaries, fewer than 75 percent of the members are owners or occupants of property located in the district or their representatives, the governing body shall dismiss or appoint advisory board members as necessary to assure 75 percent representation of owners or occupants of district properties. Each advisory board may elect an executive secretary, who need not be a member of the board, to keep its minutes, records and correspondence and to communicate with the governing body and other officials and with the owners, occupants and users of property located within the special service district. Administrative expenses of the advisory board shall be paid from the proceeds of taxes and service charges collected in the special service district.

Sec. 9. [PETITION REQUIRED.]

No public hearing may be held pursuant to section 2 unless owners of ten percent or more of the land area of the proposed special service district and owners of ten percent or more of the assessed value of the proposed special service district file a petition requesting the public hearing with the city clerk of the municipality where the special service district is located. No public hearing may be held pursuant to section 3 to impose an ad valorem tax unless owners of ten percent or more of the land area subject to a proposed tax and owners of ten percent or more of the assessed value subject to a proposed tax file a petition requesting the public hearing with the city clerk of the municipality where the special service district is located. No public hearing may be held pursuant to section 3 to impose a service charge unless ten percent or more of the individual or business organizations subject to the proposed service charge file a petition requesting the public hearing with the city clerk. If the boundaries of the proposed special service district are changed or the land area or assessed value subject to a tax or the individuals or business organizations subject to a service charge are changed after the public hearing, a petition meeting the requirements of this section must be filed with the city clerk before the ordinance establishing the district or resolution imposing the tax or service charge may become effective.

Sec. 10. [VETO POWER OF OWNERS.]

Subdivision 1. [NOTICE OF RIGHT TO FILE OBJECTIONS.] Except as provided in section 11, the effective date of any ordinance or resolution adopted pursuant to sections 2 and 3 shall be at least 45 days after it is adopted. Within five days after adoption of the ordinance or resolution, a copy of the ordinance or resolution shall be mailed to the owner of each parcel included in the special service district and any individual or business organization subject to a service charge in the same manner as notice is mailed

pursuant to section 2. The mailing shall include a notice that owners subject to a tax and individuals and business organizations subject to a service charge have a right to veto the ordinance or resolution by filing the required number of objections with the city clerk before the effective date of the ordinance or resolution.

Subd. 2. [REQUIREMENTS FOR VETO.] If owners of a majority of the land area in the special service district or owners of a majority of the assessed value in the special service district file an objection to the ordinance adopted by the municipality pursuant to section 2 with the city clerk before the effective date of the ordinance, the ordinance shall not become effective. If owners of a majority of the land area subject to a tax and owners of a majority of the assessed value subject to a tax file an objection to the resolution adopted by the municipality levying an ad valorem tax pursuant to section 3 with the city clerk before the effective date of the resolution, the resolution shall not become effective. If the majority of individuals and business organizations subject to a service charge file an objection to the resolution adopted by the municipality imposing a service charge pursuant to section 3 with the city clerk before the effective date of the resolution, the resolution shall not become effective.

Sec. 11. [EXCLUSION FROM PETITION REQUIREMENTS AND VETO POWER.]

The petition requirement of section 9 and the right of owners and those subject to a service charge to veto a resolution in section 10 shall not apply to second or subsequent years' applications of a tax or service charge which is authorized to be in effect for more than one year pursuant to a resolution which has met the petition requirements of section 9 and which has not been vetoed under section 10 for the first year's application. A resolution levying a tax or imposing a service charge for more than one year shall not be adopted unless the notice of public hearing required by section 3 and the notice mailed with the adopted resolution pursuant to section 10 include the following information:

(a) In the case of improvements, the maximum rate or amount of taxes to be levied or the maximum service charge to be imposed in any year and the maximum number of years the taxes will be levied or service charges imposed to pay for the improvement.

(b) In the case of operating and maintenance services, the maximum rate or amount of taxes to be levied or the maximum service charge to be imposed in any year and the maximum number of years, or a statement that the tax will be imposed for an indefinite number of years, the taxes will be levied or service charges imposed to pay for operation and maintenance services.

The resolution may provide that the maximum amount of tax to be levied or maximum service charge to be imposed in any year will increase or decrease from the maximum amount authorized in the preceding year based on an indicator of increased cost or a percentage amount established by the resolution.

Sec. 12. [LIMITATION.]

No special service district may be established pursuant to the provisions of sections 1 to 11 after June 30, 1986.

Sec. 13. [APPLICABILITY.]

On its effective date, sections 1 to 12 apply to the cities of Minneapolis and St. Cloud, subject to section 12.

Sec. 14. [LOCAL APPROVAL.]

Sections 1 to 12 are effective for the cities of Minneapolis and St. Cloud, upon the approval of the governing body of the city, but only for the city that approves it.

ARTICLE XXIX: PRODUCTION TAX"

Page 6, line 4, after "to" insert "the unorganized territory number 2 of"

Page 6, line 7, after "to" insert "the unorganized territory number 2 of"

Page 6, line 8, delete "Stoney" and insert "Stony"

Page 8, after line 16, insert:

"Sec. 2. [APPLICABILITY.]

On its effective date, section 1 applies to the town of Stony River, the town of Beaver Bay, and Lake County.

Sec. 3. [LOCAL APPROVAL.]

Section 1 is effective for the town of Stony River, the town of Beaver Bay, and Lake County upon approval by the governing body of each."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "adopting certain changes in federal income tax law; eliminating the allocation of federal income tax deduction between spouses; modifying certain unitary tax provisions; altering the rate and application of the research and development credit and extending its carryover; extending the duration of the energy credit; providing a system of levy limitations; delaying the effective date of the coefficient of dispersion penalty; providing for household treatment for certain leasehold cooperatives; clarifying the neighborhood real estate trust provision; requiring registration of rental housing property in the city of Minneapolis and denying certain income tax deductions for owners who fail to comply with the requirement; allowing the waiver of property taxes on certain property located in municipal development districts; authorizing the city of Minneapolis to provide property tax reductions for lower income rental property; changing certain procedures and interest rates applicable to delinquent property taxes and tax-forfeited land sales; clarifying certain gravel tax provisions; authorizing the issuance of bonds for court facilities for the city of Bloomington and for a jail for Lake County; allowing cities, counties and school districts to acquire property under lease-purchase agreements and providing that the property be exempt from taxation; reducing the rate of interest on estate tax installment payments; changing the effective date of certain estate tax provisions to conform with federal law; providing for the taxation of sales of tangible personal property transported out of the state; clarifying the taxation of the income of athletes and entertainers; providing means of varying agricultural and commercial property; requiring a study of financial problems of border communities; authorizing the cities of Duluth, Moorhead, East Grand Forks, and Breckenridge to adopt varying property tax assessment ratio systems; eliminating property tax refunds for

residents in tax-exempt nursing homes; imposing a transient lodging tax in the city of St. Paul; allowing issuance of bonds to promote tourism projects in the metropolitan area; authorizing a waiver of certain deposits of Olmsted County; establishing a port authority for the city of South St. Paul; providing for distribution of campaign funds after reapportionment; authorizing the creation of special services districts in the cities of Minneapolis and St. Cloud;"

Page 1, line 3, delete "certain taxing jurisdictions" and insert "the town of Stony River, the town of Beaver Bay, and Lake County"

Page 1, line 4, delete "1981 Supplement, Section" and insert "1980, Sections 168.012, by adding a subdivision; 270.75, by adding a subdivision; 273.11, by adding a subdivision; 273.13, Subdivision 17d; 273.133, by adding a subdivision; 275.51, by adding a subdivision; 278.08; 279.37, Subdivisions 1 and 2, and by adding a subdivision; 282.01, Subdivision 4, and by adding a subdivision; 282.04, by adding a subdivision; 282.08; 282.261; 290.067, Subdivision 1; 290.095, by adding a subdivision; 290.16, Subdivisions 15, as amended, and 16, as amended; 290.19, Subdivision 1; 290.92, Subdivision 4a; 291.015, as amended; 291.051, Subdivision 1, as amended; 291.09, Subdivision 1a, as amended; 291.15; 297B.03; 298.75, Subdivisions 5 and 6; 465.71; and 474.02, Subdivision 1b; Minnesota Statutes 1981 Supplement, Sections 10A.31, Subdivision 5; 273.11, Subdivision 7; 273.13, Subdivision 15b, as amended; 275.50, Subdivisions 2 and 5, as amended; 275.51, Subdivision 4; 279.03; 290.01, Subdivision 20, as amended; 290.06, Subdivision 14; 290.09, Subdivisions 1, 7, as amended, and 29; 290.091, as amended; 290.17, Subdivision 2, as amended; 290.18, Subdivision 2; 290.21, Subdivision 4, as amended; 290.92, Subdivision 15; 290.93, Subdivision 1; 290.934, Subdivision 4; 290A.03, Subdivisions 3, 8 and 12; 291.03, Subdivision 3, as amended; 297A.25, Subdivision 1, as amended;"

Page 1, line 5, after "1" insert "298.75, Subdivisions 1 and 2; 298.76; 477A.04, Subdivision 2; and 474.03; and Laws 1961, Chapter 605, Section 1; Laws 1981, Third Special Session Chapter 2, Article III, Sections 6 and 22 and Article VI, Section 8; proposing new law coded in Chapter 275; repealing Minnesota Statutes 1980, Section 290.65, Subdivisions 2, 3, 4, 5, 6, and 7; and Minnesota Statutes 1981 Supplement, Section 275.51, Subdivision 3e, as amended"

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

SECOND READING OF SENATE BILLS

S.F. No. 2082 was read the second time.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages From the House.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 1872.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 5, 1982

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 1872: A bill for an act relating to the financing of government in this state; extending the effective date of residential energy credits; providing the interest rate maximum on certain public indebtedness; exempting certain towns from general levy limits; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; making technical corrections and administrative changes to the income tax and property tax refund; clarifying the taxation of gravel and the distribution of revenue; validating certain tax collections by Clay County; providing for allocation of income for nonresident athletes and entertainers; providing for apportionment of income for athletic teams; permitting leases and installment purchases of equipment by local governments and providing for their tax and fiscal treatment; requiring notification to school districts of certain property tax assessment challenge proceedings; authorizing school districts to participate at certain hearings; providing for the collection of taxes; altering the date on which warrants are issued to the sheriff for collection of certain delinquent mobile home property taxes; clarifying the taxation of meals and food products for sales tax purposes; imposing a tax on on-sales of liquor and fermented malt beverages; providing for the financing of certain chemical dependency programs; providing for the lease of hydropower sites by the state or local governmental units; eliminating tax recapture or payment acceleration of deferred special assessments upon certain sales of qualifying agricultural property; providing for reassessment of homestead property damaged by a disaster; allowing the town of Rice Lake to levy in excess of its levy limitation for taxes payable in 1982; providing for withholding of income tax refunds from child support debtors; providing for taxation of certain motor vehicles and combinations in the ninth and succeeding years of vehicle life; permitting the towns of Erin, Forest, Webster, and Wheatland in Rice County to impose a special levy for fire protection purposes; adopting certain federal definitions for purposes of the credit for research and experimental expenditures; providing for homestead treatment of certain condominium leased land; clarifying the homestead classification in certain cases of joint tenancy; clarifying use of additional sales ratio study information; allowing disclosure of private data to permit vendor processing of income and sales tax returns; redefining rent constituting property taxes; providing for the rate and disposition of certain taconite credits; providing for school bonds and related taxation in certain school districts; providing that landowners in unorganized townships receive a property tax credit for certain high voltage transmission lines; providing for the imposition of sales tax on certain retail sales of manufactured homes; allowing a levy limit increase for Clearwater County; granting the city of Bloomington port authority certain redevelopment financing powers; requiring county auditors to combine certain legal descriptions for property tax purposes; providing for sales of unstamped cigarettes to members of Indian tribes; imposing a fee on completion of tax forfeited land sales; revising the metropolitan agricultural preserves act; adopting certain federal income tax amendments; adopting federal income tax treatment of unemployment compensation; increasing the rate of interest

allowed on certain contracts for deed qualifying for an income tax exclusion; altering the adoption of accelerated cost recovery system; exempting plant material from the sales tax; providing a freeze on property taxes paid on the first \$50,000 of market value of homesteads owned by elderly persons; imposing penalties; appropriating money; amending Minnesota statutes 1980, Sections 105.482, Subdivision 1, and by adding subdivisions; 168.012, by adding a subdivision; 270.06; 270.07, Subdivision 1; 270.10, Subdivision 1; 270.70, Subdivisions 1, 2, 3, and 5, and by adding subdivisions; 272.02, Subdivision 1; 273.111, Subdivisions 9, 11, and by adding a subdivision; 273.121; 273.13, Subdivision 7c; 273.42, as amended; 273.425; 274.19, Subdivision 3; 278.01; 278.05, Subdivisions 2 and 4; 282.014; 282.09, Subdivision 1; 290.01, by adding a subdivision; 290.012, Subdivision 2; 290.02; 290.03; 290.032, Subdivision 5; 290.06, Subdivisions 9 and 9a; 290.079, Subdivision 1; 290.09, Subdivisions 16 and 17; 290.095, Subdivision 4; 290.13, Subdivision 1; 290.133, Subdivision 1; 290.16, Subdivision 15, as amended, and 16, as amended; 290.19, Subdivision 1; 290.281, Subdivision 1; 290.31, Subdivisions 5 and 19; 290.36; 290.45, Subdivisions 1 and 2; 290.48, Subdivisions 3, 4, 6, and 8; 290.49, Subdivisions 3, 7, and by adding a subdivision; 290.50, by adding a subdivision; 290.53, Subdivisions 2 and 5, and by adding a subdivision; 290.54; 290.65, Subdivisions 9 and 11; 290.91; 290.92, Subdivisions 4a, 13, and 23; 290.93, Subdivision 9; 290.936; 290A.03, by adding a subdivision; 290A.11, by adding a subdivision; 296.01, Subdivision 8; 296.14, Subdivision 1; 296.17, Subdivision 11; 297A.33, Subdivision 2; 297A.39, Subdivisions 2 and 5; 297A.43; 297B.03; 465.71; 473H.02, Subdivision 2, and by adding a subdivision; 473H.04, Subdivisions 1 and 2; 473H.05, Subdivision 1, and by adding a subdivision; 473H.06, Subdivisions 1, 2, and 5; 473H.08, Subdivision 4; 473H.14; 473H.15, by adding a subdivision; 473H.16, Subdivision 3; 475.55, Subdivision 1, and by adding a subdivision; 508.25; 559.21, by adding a subdivision; 580.15; Minnesota Statutes 1981 Supplement, Sections 168.013, Subdivision 1e; 270.063; 270.66; 270.75, Subdivisions 4, as amended, and 5, as amended; and by adding a subdivision; 272.46; 273.11, Subdivision 1; 275.50, Subdivision 2; 290.01, Subdivisions 20, as amended, and 27; 290.05, Subdivisions 1 and 4; 290.06, Subdivision 14; 290.075; 290.081; 290.09, Subdivisions 4, 7, as amended, 15, and 29; 290.091, as amended; 290.095, Subdivision 11; 290.10; 290.131, Subdivision 1; 290.132, Subdivision 1; 290.136, Subdivision 1; 290.14; 290.17, Subdivision 2; 290.18, Subdivisions 1 and 2; 290.21, Subdivision 3; 290.23, Subdivision 3; 290.31, Subdivisions 3 and 4; 290.32; 290.37, Subdivision 1; 290.41, Subdivision 2; 290.42; 290.431; 290.61; 290.92, Subdivisions 2a, 5, 5a, 6 and 15; 290.93, Subdivisions 1 and 10; 290.934, Subdivision 4; 290.9725; 290.974; 290A.03, Subdivisions 3, 8, 11, and 13; 290A.07, Subdivision 2a; 290A.11, Subdivision 1; 296.12, Subdivision 4; 297A.01, Subdivision 3; 297A.25, Subdivision 1, as amended; 298.225; 298.24, Subdivision 3; 298.75; Laws 1980, Chapter 453, by adding a section; Laws 1981, Third Special Session Chapter 2, Article III, Section 6; proposing new law coded in Minnesota Statutes, Chapters 270, 273, 290, 295, 297, 297A, 340, and 473H; repealing Minnesota Statutes 1980, Sections 62E.03, Subdivision 2; 290.06, Subdivision 3c; 290.0781; 290.079, Subdivisions 2, 3, 4, and 5; 290.08, Subdivision 21; 290.09, Subdivision 24; 290.13, Subdivisions 2, 4, and 10; 290.136, Subdivision 8; 290.26, Subdivision 5; 290.281, Subdivisions 3, 4, and 6; 290.31, Subdivisions 7, 8, 12, 13, 14, 15, 16, 17, 18, 20, 22, 23, 24, 25, and 26; 290.48, Subdivisions 1 and 9; 290.51; 290.65, Subdivisions 2, 3, 4, 5, 6, and 7; 290.97; 290.973; 297A.33, Subdivision 6; 297A.36; 297A.39, Subdivision 6; 297A.40, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 290.079, Subdivision 6;

290.09, Subdivision 17a; 290.131, Subdivisions 2 and 3; 290.132, Subdivision 2; 290.133, Subdivision 2; 290.21, Subdivision 7; 290.26, Subdivisions 1 and 3; 290.281, Subdivision 2; 290.31, Subdivisions 6, 8a, 9, 10, 11, and 21; 290.48, Subdivision 2; 290.971, Subdivision 7; and 298.76.

Mr. Moe, R.D. moved that H.F. No. 1872 be laid on the table. The motion prevailed.

MEMBERS EXCUSED

Mr. Solon was excused from the Session of today at 9:00 p.m.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Saturday, March 6, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate