

EIGHTY-FOURTH DAY

St. Paul, Minnesota, Monday, March 8, 1982

The Senate met at 11:00 a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Hanson 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. M.E. Sandness.

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

Ashbach	Dicklich	Kronebusch	Penny	Sikorski
Bang	Dieterich	Langseth	Peterson, C.C.	Solon
Belanger	Engler	Lantry	Peterson, D.L.	Spear
Benson	Frank	Lessard	Peterson, R.W.	Stern
Berg	Frederick	Lindgren	Petty	Stokowski
Berglin	Frederickson	Luther	Pillsbury	Stumpf
Bernhagen	Hanson	Menning	Purfeerst	Taylor
Bertram	Hughes	Merriam	Ramstad	Tennessen
Brataas	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

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Humphrey and Keefe were excused from the Session of today. Mr. Davis was excused from the Session of today from 11:45 a.m. to 12:00 noon. Mr. Langseth was excused from the Session of today from 11:45 a.m. to 5:00 p.m.

REPORTS OF COMMITTEES

Mr. Hanson moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

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

S.F. No. 2117: A bill for an act relating to local government; providing for

the economic development of University Avenue in the cities of Minneapolis and St. Paul; creating an authority to develop and implement transit, housing, and economic development projects; authorizing bonding; providing for a tax levy, special assessments, and eminent domain; appropriating money.

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

Page 3, line 14, delete "15" and insert "7"

Page 4, lines 19 and 24, delete "15" and insert "7"

Page 5, line 3, after "with" insert "*local community and business organizations and*"

Page 5, line 6, after "plan" insert "*by March 15, 1983,*"

Page 5, after line 7, insert:

"The comprehensive plan shall evaluate the costs, benefits, and feasibility of a project using a rapid transit system coordinated with accelerated investment in housing and commerce to revitalize and develop the University Avenue corridor between the cities of Minneapolis and St. Paul and the University of Minnesota. The plan shall include findings on the costs and benefits and on the technical, economic, and financial feasibility of the project. The report may include recommendations on legal, institutional, and financial methods of implementing the project. The metropolitan council and the metropolitan transit commission shall provide technical and staff assistance to the authority for developing the plan."

Page 5, line 29, delete "15" and insert "7"

Page 6, lines 4 and 10, delete "15" and insert "7"

Pages 6 to 10, delete sections 7 and 8

Pages 10 to 13, delete sections 10 to 16

Page 13, line 16, delete "16" and insert "7"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "authorizing"

Page 1, delete lines 7 and 8 and insert "providing for a preliminary comprehensive plan."

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

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

S.F. No. 2033: A bill for an act relating to taxation; providing for homestead treatment of certain condominium leased land; clarifying use of additional sales ratio study information; amending Minnesota Statutes 1980, Sections 273.13, Subdivision 7c; and 278.05, Subdivision 4.

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

Page 2, line 23, delete "is" and insert "may" and after "also" insert "be"

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

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

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

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

S.F. No. 1515: A bill for an act relating to taxation; altering the date on which warrants are issued to the sheriff for collection of certain delinquent mobile home property taxes; amending Minnesota Statutes 1980, Section 274.19, Subdivision 3.

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

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

S.F. No. 2150: A bill for an act relating to taxation; allowing disclosure of private data to permit vendor processing of income and sales tax returns; amending Minnesota Statutes 1980, Section 297A.43; and Minnesota Statutes 1981 Supplement, Section 290.61.

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. 2081: A bill for an act relating to agriculture; establishing an apiary account in the state treasury; amending Minnesota Statutes 1980, Section 19.19, Subdivision 3.

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

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 19.19, Subdivision 1, is amended to read:

Subdivision 1. No person shall own, possess, or operate bees without registering the bees with the commissioner. Application for registration must be filed within 30 days of obtaining possession of bees and equipment. The registration application shall describe the location of each of the applicant's apiaries and the number of colonies in each apiary or location. The commissioner shall issue a registration certificate to a person who makes written application on forms prepared by the commissioner and who pays a registration fee of ~~\$7.50~~ *in the amount set by the commissioner*. Each registration certificate expires on the last day of June next following its issuance. Each registra-

tion certificate must be renewed within 30 days of expiration of previous registration. A registration certificate may be renewed upon written application and payment of the registration fee described in this subdivision.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 19.19, Subdivision 2, is amended to read:

Subd. 2. In addition to the annual registration fee, a person owning or possessing 11 or more bee colonies shall pay an annual inspection fee ~~of \$7~~ ~~cents as set by the commissioner~~ for each colony of bees owned, possessed, or operated. A person owning or possessing one to ten colonies is not required to pay an inspection fee. This fee shall be based upon the colony count taken as of June 15 of each year, and shall be payable on or before the last day of June of each year. A penalty of 50 percent of both the inspection fee and the registration fee imposed by subdivision 1 shall be imposed if a registration renewal certificate has not been applied for prior to August 1 of any year or within 30 days after a new apiary is established."

Page 1, line 12, after the period, insert "*The commissioner shall set the fees prescribed under this chapter in amounts sufficient to recover the costs of administering and enforcing this chapter.*"

Page 1, line 13, delete "*may be*" and insert "*are*"

Page 1, line 14, delete "*only*"

Page 1, after line 15, insert:

"Sec. 4. Minnesota Statutes 1981 Supplement, Section 19.20, Subdivision 4, is amended to read:

Subd. 4. [INSPECTION FEE FOR CERTIFICATION OF FALL INTER-STATE SHIPMENTS OF BEE COLONIES.] An interstate inspection fee ~~of \$40~~ ~~cents as set by the commissioner~~ for each colony inspected shall be paid by the owner, possessor or operator requesting inspection service.

Sec. 5. [APPROPRIATIONS CANCELED.]

The sums appropriated from the general fund to the commissioner of agriculture for administering Minnesota Statutes, Chapter 19, for the fiscal year ending June 30, 1983, are canceled and shall be credited to the general fund."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before the period, insert "; Minnesota Statutes 1981 Supplement, Sections 19.19, Subdivisions 1 and 2; and 19.20, Subdivision 4"

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

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

S.F. No. 1813: A bill for an act relating to public welfare; delaying the duty of the commissioner of administration to sell certain land and buildings; amending Laws 1981, Chapter 360, Article I, Section 2, Subdivision 5.

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

Page 3, line 10, delete "July" and insert "January"

Page 3, line 25, after the period, insert "*Receipts from rentals of Rochester state hospital property shall be deposited in the general fund and are appropriated to the commissioner of administration for maintenance of the land and buildings of that campus.*"

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. 1650: A bill for an act relating to public welfare; establishing foster care maintenance payments by the state; requiring the commissioner of public welfare to promulgate rules which establish 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 or adoption assistance under Title IV-E of the federal Social Security Act; requiring continuation of the state subsidized adoption program; 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.

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

Page 7, delete section 7 and insert:

"Sec. 7. [TRANSFER OF FUNDS.]

The commissioner of public welfare is authorized to transfer funds from the dependent or neglected ward account into the subsidized adoption account when a deficit in the subsidized adoption program occurs. The amount of the transfer shall not exceed 50 percent of the dependent or neglected ward account."

Amend the title as follows:

Page 1, line 14, delete "requiring"

Page 1, delete line 15 and insert "authorizing the transfer of funds;"

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. 1915: A bill for an act relating to solid waste; directing a study of solid waste utilization in the St. Cloud area; appropriating funds.

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

Page 1, line 15, delete "its" and insert "his"

Page 1, delete line 25 and insert:

"\$25,000 of the amount appropriated by Laws 1981, Chapter 334, Section

11, Subdivision 1, from the state building fund is cancelled and reappropriated to the commissioner"

Page 2, line 1, delete "department"

Page 2, lines 1 and 2, delete "\$25,000, or so much thereof as may be required,"

Amend the title as follows:

Page 1, line 4, delete "funds" and insert "money"

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. 1365: A bill for an act relating to services for the mentally retarded and cerebral palsied; requiring the commissioners of education and public welfare to plan for the transfer of developmental achievement services for pre-school children; permitting reimbursement under medical assistance for developmental achievement and semi-independent living services provided to certain mentally retarded and cerebral palsied persons; transferring funds; amending Minnesota Statutes 1980, Section 256B.02, Subdivision 7; Minnesota Statutes 1981 Supplement, Sections 256B.02, Subdivision 8, as amended; and 256B.03.

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

Page 6, line 7, delete "provisions" and insert "limits"

Page 6, line 8, delete "256.996" and insert "256B.03, Subdivision 2"

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

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

H.F. No. 546: A bill for an act relating to insurance; extending the insurance division revolving fund; providing for a program of continuing education; establishing a continuing insurance education advisory committee; authorizing the commissioner of insurance to promulgate rules to implement the program; requiring certain disclosures on credit insurance policies and application; amending Minnesota Statutes 1980, Sections 60A.03, Subdivision 6; and 62B.06, Subdivisions 2, 3 and 4; and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 60A.

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

Page 1, after line 14, insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 60A.02, Subdivision 7, is amended to read:

Subd. 7. [INSURANCE AGENT.] An "insurance agent" is a person acting under express authority from *and an appointment pursuant to section 60A.17* by an insurer and on its behalf to solicit insurance, or to appoint other agents to solicit insurance, or to write and countersign policies of insurance, or to collect

premiums therefor within this state, or to exercise any or all these powers when so authorized by the insurer. The term "person" includes a natural person, a partnership, or a corporation."

Page 2, delete lines 12 and 13 and insert:

"Moneys due members of the continuing insurance education advisory committee and salaries, equipment, and expenses of employees of the commerce department administering the continuing insurance education program shall be paid from the fund in the manner prescribed by law."

Page 2, line 15, after "companies" insert "*and agents*"

Page 2, after line 26, insert:

"Sec. 3. Minnesota Statutes 1981 Supplement, Section 60A.17, Subdivision 1, is amended to read:

Subdivision 1. [LICENSE.] (a) [REQUIREMENT.] No person shall act or assume to act as an insurance agent in the solicitation or procurement of applications for insurance, nor in the sale of insurance or policies of insurance, nor in any manner aid as an insurance agent in the negotiation of insurance by or with an insurer, including resident agents or reciprocal or interinsurance exchanges and fraternal beneficiary associations, until that person shall obtain from the commissioner a license therefor. The license shall specifically set forth the name of the person so authorized to act as agent and the class or classes of insurance for which that person is authorized to solicit or countersign policies. An insurance agent may qualify for a license in the following classes: (1) life and health; and (2) property and casualty.

No insurer shall appoint or reappoint any natural person, partnership, or corporation to act as an insurance agent on its behalf until that natural person, partnership, or corporation obtains a license as an insurance agent *and unless that person has complied with the continuing education requirements for insurance agents provided by law.*

(b) [PARTNERSHIPS AND CORPORATIONS.] A license issued to a partnership or corporation shall be solely in the name of the entity to which it is issued; provided, that each partner, director, officer, stockholder, or employee of the licensed entity who is personally engaged in the solicitation or negotiation of a policy of insurance on behalf of the licensed entity shall be personally licensed as an insurance agent.

Upon request by the commissioner, each partnership and corporation licensed as an insurance agent shall provide the commissioner with a list of the names of each partner, director, officer, stockholder, and employee who is required to hold a valid insurance agent's license.

(c) [TRANSITION.] (1) Any agent who is qualified for life or accident and health as of June 1, 1981 shall be deemed to have qualified for a life and health license under Laws 1981, Chapter 307 and been appointed by an insurer which has submitted a written requisition for a license for that agent as of June 1, 1981.

(2) Any agent who is qualified for one or more lines of insurance, excluding life or accident and health and farm property liability as of June 1, 1981 shall be deemed to have qualified for a property and casualty license under Laws 1981,

Chapter 307 and been appointed by any insurer which has submitted a written requisition for a license for that agent as of June 1, 1981.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 60A.17, Subdivision 6c, is amended to read:

Subd. 6c. [REVOCATION OR SUSPENSION OF LICENSE.] (a) The commissioner may suspend or revoke an insurance agent's license issued to a natural person or impose a civil penalty appropriate to the offense, not to exceed \$5,000 upon that licensee, if, after notice and hearing, the commissioner finds as to that licensee any one or more of the following conditions:

- (1) Any materially untrue statement in the license application;
- (2) Any cause for which issuance of the license could have been refused had it then existed and been known to the commissioner at the time of issuance;
- (3) Violation of, or noncompliance with, any insurance law or violation of any rule or order of the commissioner or of a commissioner of insurance of another state or jurisdiction;
- (4) Obtaining or attempting to obtain any license through misrepresentation or fraud;
- (5) Improperly withholding, misappropriating, or converting to the licensee's own use any moneys belonging to a policyholder, insurer, beneficiary, or other person, received by the licensee in the course of the licensee's insurance business;
- (6) Misrepresentation of the terms of any actual or proposed insurance contract;
- (7) Conviction of a felony or of a gross misdemeanor or misdemeanor involving moral turpitude;
- (8) That the licensee has been found guilty of any unfair trade practice, as defined in chapters 60A to 72A, or of fraud;
- (9) That in the conduct of the agent's affairs under the license, the licensee has used fraudulent, coercive, or dishonest practices, or the licensee has been shown to be incompetent, untrustworthy, or financially irresponsible;
- (10) That the agent's license has been suspended or revoked in any other state, province, district, territory, or foreign country;
- (11) That the licensee has forged another's name to an application for insurance; or
- (12) That the licensee has violated subdivision 6b; or
- (13) That the licensee has no valid appointment under section 60A.17 by an admitted insurer.

(b) The commissioner may suspend or revoke an insurance agent's license issued to a partnership or corporation or impose a civil penalty not to exceed \$5,000 upon that licensee, if, after notice and hearing, the commissioner finds as to that licensee, or as to any partner, director, shareholder, officer, or employee of that licensee, any one or more of the conditions set forth in paragraph (a).

(c) A revocation of a license shall prohibit the licensee from making a new

application for a license for at least one year. Further, the commissioner may, as a condition of relicensure, require the applicant to file a reasonable bond for the protection of the citizens of this state, which bond shall be maintained by the licensee in full force for a period of five years immediately following issuance of the license, unless the commissioner at his or her discretion shall after two years permit the licensee to sooner terminate the maintenance filing of the bond.

(d) Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of chapter 60A or of any rule or order of the commissioner:

(1) The commissioner may issue and cause to be served upon the person an order requiring the person to cease and desist from the violation. The order shall give reasonable notice of the time and place of hearing and shall state the reasons for the entry of the order. A hearing shall be held not later than seven days after the issuance of the order unless the person requests a delay. After the hearing and within 30 days of filing of any exceptions to the hearing examiner's report, the commissioner shall issue an order vacating the cease and desist order or making it permanent as the facts require. All hearings shall be conducted in accordance with the provisions of chapter 15. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against the person upon consideration of the cease and desist order, the allegations of which may be deemed to be true;

(2) In any proceeding under chapter 60A relating to injunction, the request for injunction may be brought on for hearing and disposition upon an order to show cause returnable upon not more than eight days notice to the defendant. The case shall have precedence over other matters on the court calendar and shall not be continued without the consent of the state of Minnesota, except upon good cause shown to the court, and then only for a reasonable length of time as may be necessary in the opinion of the court to protect the rights of the defendant."

Page 3, delete lines 3 to 5

Page 3, line 6, delete "3" and insert "2"

Page 3, line 23, delete "4" and insert "3"

Page 3, line 26, delete "which" and insert "whom"

Page 3, line 29, delete "not" and delete "either"

Page 3, line 29, after "persons" insert "neither"

Page 3, line 30, delete "or persons" and insert "nor"

Page 4, line 27, delete "5" and insert "4"

Page 5, line 7, delete "shall" and insert "may"

Page 5, line 12, delete "6" and insert "5"

Page 5, line 15, delete "7" and insert "6"

Page 5, line 26, delete "1983" and insert "1984"

Page 5, line 27, delete "1981."

Page 5, delete line 28 and insert "1983 or 1984."

Page 5, line 29, delete "8" and insert "7"

Page 7, line 10, delete "9" and insert "8"

Page 7, line 12, after "file" insert "or cause to be filed"

Page 7, line 13, delete "the commissioner" and insert "all insurers that have appointed the licensed person as an agent"

Page 7, line 13, delete "stating" and insert "certifying"

Page 7, line 15, delete "and shall be accompanied by" and insert ". Each licensed person's compliance report shall be filed with each and every appointing company prior to each company's annual appointment of the licensed person as agent pursuant to section 60A.17. No company may appoint or reappoint a licensed person as an agent unless that licensed person has given notice to the company of compliance with the continuing education requirement by filing or causing to be filed a compliance report with the company. Each licensed person shall pay an annual continuing education fee of \$5 for deposit in the insurance division revolving fund. The fee may be paid by cashier's check or money order payable to the state of Minnesota or be paid to the company designated by the licensed person which company shall be responsible for paying the fee to the state of Minnesota. The \$5 annual continuing education fee shall be transmitted to the appointing company designated by the licensed person along with the compliance report. The company designated by the licensed person shall transmit the licensed person's continuing education fee to the commissioner along with the company's annual appointment. A company which has not been designated by a licensed person to transmit the continuing education fee to the commissioner must receive written certification that the continuing education fee has been paid before appointing any licensed person as an agent under section 60A.17.

(b) In the event an insurance industry continuing education reporting center is established, the licensed person may file the compliance report and pay the continuing education fee to the industry continuing education reporting center. The reporting center will then be responsible for notifying all companies designated by the licensed person of the licensed person's compliance with the continuing education requirement as well as for paying the continuing education fee to the commissioner.

(c) In the event the licensed person is between company appointments at the annual compliance report filing time, filing of the compliance report shall be delayed until the licensed person is appointed by a company. While the licensed person is between appointments as an insurance agent under section 60A.17, the person's license shall be suspended. The license will be automatically reinstated upon filing of the compliance report with a company and appointment of the licensed person as an agent by the company.

(d) Each licensed person shall retain the certificates of completion from each course, program of instruction, or seminar for five years following the filing of the compliance report that includes the course, program of instruction, or seminar as part of the continuing education requirement. The licensed person shall produce the certificates of completion for examination upon request by an appointing company or the commissioner. Certificates of completion are also

subject to subpoena.”

Page 7, delete lines 16 to 20

Page 7, line 21, delete “(b)” and insert “(e)”

Page 7, line 24, delete “in a published bulletin”

Page 7, line 25, delete “(c)” and insert “(f)”

Page 7, line 29, delete “(d)” and insert “(g)”

Page 8, line 4, after the period, insert “If the non-accredited course, program of instruction, or seminar is approved by the commissioner, it may be used to satisfy the continuing education requirements for the licensed person’s next annual 12-month compliance period.”

Page 8, delete lines 5 to 15

Page 8, line 16, delete “11” and insert “9”

Page 8, line 18, after “commissioner” insert “or of an appointing company”

Page 8, line 18, after “no” insert “appointment or”

Page 8, line 24, delete “12” and insert “10”

Page 8, line 29, delete “subdivision 10” and insert “section 60A.03, subdivision 6”

Page 9, line 11, delete “10” and insert “12”

Page 9, delete lines 13 to 24 and insert:

““Credit life insurance and credit accident and health insurance are not required to obtain credit. You may buy any insurance from anyone you choose or you may use existing insurance. The credit life insurance and credit accident and health insurance available through this creditor had an actual loss ratio during the calendar year last reported to the department of commerce of percent. This means that, on the average, \$..... of every \$100 in premiums paid to the insurance company were returned as benefits to policyholders during that year.””

Page 9, line 29, strike the first comma

Pages 9 and 10, delete section 4

Page 10, line 13, reinstate the stricken “and”

Page 10, line 14, delete “10” and insert “12”

Page 10, line 14, after the comma, insert “by”

Page 10, delete lines 15 to 26 and insert:

““Credit life insurance and credit accident and health insurance are not required to obtain credit. You may buy any insurance from anyone you choose or you may use existing insurance. The credit life insurance and credit accident and health insurance available through this creditor had an actual loss ratio during the calendar year last reported to the department of commerce of percent. This means that, on the average, \$..... of every \$100 in premiums paid to the insurance company were returned as benefits to policyholders

during that year.'''

Page 11, delete section 6

Page 11, delete lines 17 to 22 and insert:

"Sections 1, 4, and 5, subdivisions 1 to 5 and subdivision 10, are effective the day following final enactment. Section 2 is effective July 1, 1982. Sections 6 and 7 are effective August 1, 1982. Section 5, subdivisions 6 and 7, are effective January 1, 1984. Sections 3 and 5, subdivisions 8 and 9, are effective January 1, 1985."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, delete ", 3"

Page 1, lines 10 and 11, delete "and by adding a subdivision;" and insert "Minnesota Statutes 1981 Supplement, Sections 60A.02, Subdivision 7; and 60A.17, Subdivisions 1 and 6c;"

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. 1839: A bill for an act relating to transportation; modifying the purpose of certain programs relating to public transit assistance and transportation management; defining certain terms applicable to certain public transit assistance and transportation management programs; requiring the commissioner of transportation to define by rule total operating cost; providing for the administration of certain programs; providing for the distribution of assistance under the public transit participation program; changing eligibility requirements for replacement transit service; amending Minnesota Statutes 1980, Section 174.21; 174.22, by adding subdivisions; 174.23, by adding subdivisions; 174.24, Subdivisions 1, 2, and by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 174.24, Subdivision 3; and 174.265, Subdivision 4; repealing Minnesota Statutes 1980, Sections 174.25 and 174.26.

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

Page 3, line 11, after the period, insert ""Total operating cost" may include provisions for a fee for service."

Page 3, line 14, after "cost" insert "and fee"

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. 1712: A bill for an act relating to public welfare; allowing payment of claims for medical assistance to be made against homestead property which is part of an estate; amending Minnesota Statutes 1980, Sections 510.05 and 524.3-805; and Minnesota Statutes 1981 Supplement, Sections 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:

Amend the title as follows:

Page 1, line 2, delete "payment of"

Page 1, line 4, after the semicolon, insert "specifying abandonment of homestead for medical assistance;"

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. 1847: A bill for an act relating to agriculture; formulating a state agricultural land preservation and conservation policy; imposing duties on state agencies regarding agency actions adversely affecting agricultural land; continuing the existence of the joint legislative committee on agricultural land preservation; allocating certain state cost-sharing funds for high priority soil erosion, sedimentation and water control problems identified by local soil and water conservation districts; imposing duties on state and local soil and water conservation boards; providing technical and administrative assistance grants to local districts; requiring coordination of state soil and water conservation programs with other public agencies; establishing a conservation tillage demonstration program; appropriating money; amending Minnesota Statutes 1980, Sections 15.0412, by adding a subdivision; 40.03, Subdivision 4; 40.036; 40.07, Subdivision 9; and Laws 1979, Chapter 315, Section 2, as amended; proposing new law coded in Minnesota Statutes, Chapters 17 and 40; repealing Minnesota Statutes 1980, Section 473H.13; and Laws 1979, Chapter 315, Section 1.

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

Page 8, line 34, delete "*not more than 80*" and insert "*at least 70*"

Page 13, delete section 13

Page 14, line 5, delete "*14*" and insert "*13*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 17, delete "appropriating money;"

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. 1897: A bill for an act relating to veterans; providing for the furnishing of chiropractic care to residents of the Minnesota veterans home; proposing new law coded in Minnesota Statutes, Chapter 198.

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

Page 1, line 11, after "*provided*" insert "*, as appropriations permit,*"

Page 1, delete lines 15 and 16

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. 1450: A bill for an act relating to snowmobiles; increasing registration fees and appropriating collections for recreational purposes; amending Minnesota Statutes 1980, Sections 84.82, Subdivision 3, and by adding a subdivision; and 84.83.

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

Page 2, lines 24 and 26, after "the" insert "grant-in-aid"

Page 2, line 27, delete everything after "for" and insert "grants-in-aid to counties and municipalities for"

Page 2, line 28, delete ", grants to"

Page 2, line 29, delete everything before "and"

Page 2, line 30, delete everything after the period

Page 2, delete line 31

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

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

H.F. No. 1278 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.
1278	1234				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1278 be amended as follows:

Page 1, line 18, after "instrumentality" delete comma

Page 1, delete lines 19 to 23

Page 1, line 24, delete everything before the period

And when so amended H.F. No. 1278 will be identical to S.F. No. 1234, and further recommends that H.F. No. 1278 be given its second reading and substituted for S.F. No. 1234, 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. 917 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.
917	881				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 917 be amended as follows:

Page 1, line 25, after "entitled" insert a comma

Page 2, line 6, after "affairs" insert "employee"

Page 2, line 23, delete "department" and insert "commissioner"

Page 2, line 25, after "entitled" insert a comma

Page 3, line 5, after "1982" insert a comma

And when so amended H.F. No. 917 will be identical to S.F. No. 881, and further recommends that H.F. No. 917 be given its second reading and substituted for S.F. No. 881, 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. 1915 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.
1915	1763				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1915 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, delete the comma after "Le Sueur" and insert " . The members shall be "

Page 1, line 22, after "boards" 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 "be"

Page 2, delete line 9

Page 2, line 10, delete everything before "ordinances" and insert "implemented by the board and the counties as provided in sections 1 to 6. The counties shall adopt 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 3, delete lines 29 through 33 and 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.

Sec. 7. [EFFECTIVE DATE.]

Sections 1 to 6 are effective in the counties of Blue Earth, Brown, Le Sueur, Nicollet, Redwood and Renville upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by all of those counties. 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 as 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."

And when so amended H.F. No. 1915 will be identical to S.F. No. 1763, and further recommends that H.F. No. 1915 be given its second reading and substituted for S.F. No. 1763, 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. 1819 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.
				1819	1858

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1819 be amended as follows:

Page 2, line 8, delete everything after "boards"

Page 2, line 9, delete everything before the period

Page 2, line 16, after "pursuant to" insert "section"

Amend the title as follows:

Page 1, line 4, after the semicolon insert "permitting the granting and transfer of credits for students; allowing reimbursement for instruction;"

And when so amended H.F. No. 1819 will be identical to S.F. No. 1858, and further recommends that H.F. No. 1819 be given its second reading and substituted for S.F. No. 1858, 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. 1743 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.
1743	1686				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1743 be amended as follows:

Page 1, delete lines 10 through 25 and insert:

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

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

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

(c) *The date and time of the release.*

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

Page 2, delete line 1

And when so amended H.F. No. 1743 will be identical to S.F. No. 1686, and further recommends that H.F. No. 1743 be given its second reading and substituted for S.F. No. 1686, 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. 1799 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.
1799	1794				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1799 be amended as follows:

Page 1, line 22, delete "*of*" and insert "*or amendment to*"

Page 1, line 29, delete "*issue*" and insert "*issues*" and after "*cost*" insert "*and quality*"

Page 2, delete lines 5 to 36

Page 3, delete lines 1 to 36

Page 4, delete lines 1 to 16

Page 4, line 22, strike everything after "*acquisition*"

Page 4, line 23, strike "*diagnostic or therapeutic equipment,*"

Page 5, line 14, reinstate the stricken "*and*"

Page 6, line 28, after "~~and~~" insert "*; or*"

Page 6, line 28, before "~~the~~" insert "*(b)*"

Page 6, line 28, reinstate the stricken "*the expenditure is required solely to meet*"

Page 6, line 29, reinstate the stricken language

Page 6, line 30, strike "*(b)*" and insert "*(c)*"

Page 6, line 34, after the semicolon insert "*or*"

Page 6, line 35, delete "*(c)*" and insert "*(d)*"

Page 7, line 1, delete "(d)" and insert "(e)"

Page 7, line 9, delete "(c) and (d)" and insert "(d) and (e)"

Page 7, line 10, delete "section" and insert "subdivision"

Page 7, line 11, after "1982" insert a comma

Page 7, line 30, delete "and" and insert a comma

Page 7, line 31, after "welfare" insert a comma

Page 7, line 33, delete "to" and insert "in"

Page 8, line 2, delete "3 to 5" and insert "2 to 4"

Page 8, line 13, delete "3 to 5" and insert "2 to 4"

Page 8, line 16, delete "3 to 5" and insert "2 to 4"

Page 8, after line 24, insert:

"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."

Page 14, line 27, after "1983" insert a comma

Page 15, line 5, delete "3 to 6" and insert "2 to 5, 9"

Page 15, line 6, delete everything after the period

Page 15, delete lines 7 to 14

Page 15, line 15, delete everything before "Sections"

Page 15, line 15, delete "7 to 9" and insert "6 to 8"

Page 15, line 16, delete "1984" and insert "1983"

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete line 4

Page 1, line 5, delete "disseminated;"

Page 1, line 7, after "reports;" insert "encouraging price disclosure;"

Page 1, line 11, delete "proposing new law coded in"

Page 1, line 12, delete everything before "repealing"

And when so amended H.F. No. 1799 will be identical to S.F. No. 1794, and further recommends that H.F. No. 1799 be given its second reading and substituted for S.F. No. 1794, 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. 438 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.
				438	419

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 438 be amended as follows:

Page 1, before line 13, insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 354.46, Subdivision 1, is amended to read:

Subdivision 1. [BASIC PROGRAM; BENEFITS FOR SPOUSE AND CHILDREN OF TEACHER.] If a basic member who has at least 18 months of allowable service credit and who has an average salary as defined in section 354.44, subdivision 6 equal to or greater than \$75 dies prior to retirement or if a former basic member who, at the time of death, was totally and permanently disabled and receiving disability benefits pursuant to section 354.48 dies prior to attaining the age of 65 years, the surviving dependent spouse and dependent children of the basic member or former basic member shall be entitled to receive a monthly benefit as follows:

(a) Surviving
dependent
spouse 30 percent of the basic member's monthly
average salary paid in the last full
fiscal year preceding death

(b) Each
dependent
child ten percent of the basic member's
monthly average salary paid in the
last full fiscal year preceding death

Payments for the benefit of any dependent child under the age of 22 years

shall be made to the surviving parent, or if there be none, to the legal guardian of the child. The maximum monthly benefit shall not exceed \$450 \$700 for any one family, and the minimum benefit per family shall not be less than 30 percent of the basic member's average salary, subject to the foregoing maximum. The surviving dependent spouse benefit shall terminate upon remarriage, and the surviving dependent children's benefit shall be reduced pro tanto when any surviving child is no longer dependent.

If the basic member and the surviving dependent spouse are killed in a common disaster and if the total of all survivors benefits payable pursuant to this subdivision is less than the accumulated deductions plus interest payable, the surviving dependent children shall receive the difference in a lump sum payment.

If the survivor benefits provided in this subdivision exceed in total the monthly average salary of the deceased basic member, these benefits shall be reduced to an amount equal to the deceased basic member's monthly average salary.

Prior to payment of any survivor benefit pursuant to this subdivision, in lieu of that benefit, the surviving dependent spouse may elect to receive the joint and survivor annuity provided pursuant to subdivision 2, or may elect to receive a refund of accumulated deductions with interest in a lump sum as provided pursuant to sections 354.47, subdivision 1 or 354.62, subdivision 5, clause (3). If there are any surviving dependent children, the surviving dependent spouse may elect to receive the refund of accumulated deductions only with the consent of the district court of the district in which the surviving dependent child or children reside.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 354.46, Subdivision 2, is amended to read:

Subd. 2. [DEATH WHILE ELIGIBLE DESIGNATED BENEFICIARY BENEFIT.] *The surviving spouse of any member who has attained the age of at least 55 years and has credit for at least 20 years of allowable service or who has credit for at least 30 years of allowable service irrespective of age shall be entitled to elect joint and survivor annuity coverage in the event of death of the member prior to retirement which shall be payable to the surviving spouse. If the election is made and the person dies prior to retirement, the surviving spouse, If the surviving spouse does not elect to receive a surviving spouse benefit provided pursuant to subdivision 1, if applicable, or does not elect to receive a refund of accumulated member contributions provided pursuant to sections 354.47, subdivision 1, or 354.62, subdivision 5, clause (3), whichever is applicable, the surviving spouse shall be entitled to receive, upon written application on a form prescribed by the executive director, a benefit equal to the second portion of a 100 percent joint and survivor annuity as provided pursuant to section 354.45 and computed pursuant to section 354.44, subdivisions 2, 6 or 7, whichever is applicable. If the member was a participant in the variable annuity division, the applicable portion of the benefit shall be computed pursuant to section 354.62, subdivision 5, clause (1). The benefit shall be payable for life."*

Page 1, line 14, after "I." insert "[AUTHORITY.]"

Page 1, line 19, delete "2" and insert "4"

Page 1, line 22, insert a comma after "1960"

Page 1, line 25, insert a comma after "1960"

Page 2, line 5, delete the two commas

Page 2, line 15, insert a comma after "1957"

Page 2, line 24, insert a comma after "1951"

Page 2, line 33, insert a comma after "1974"

Page 3, line 2, delete "3" and insert "5"

Page 3, line 3, after "service" insert "in the armed forces of the United States,"

Page 3, line 3, delete "pursuant to" and insert "in"

Page 4, line 5, insert a comma after "1972"

Page 4, line 7, insert a comma after "1977"

Page 4, line 8, insert a comma after "1972"

Page 4, line 12, insert a comma after "1941"

Page 5, line 32, delete "I" and insert "3"

Page 5, line 36, delete "I" and insert "3"

Page 6, line 3, delete "I" and insert "3"

Page 6, line 17, delete "pursuant to" and insert "in"

Page 6, line 19, insert a comma after "entitled" and a comma after "application"

Page 6, line 30, delete "2" and insert "4"

Page 7, line 11, delete "Paragraph 2" and insert "second paragraph"

Page 7, delete lines 16 to 36

Page 8, delete lines 1 to 4

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert "teachers retirement association; modifying survivor benefits;"

Page 1, delete line 7

Page 1, line 8, delete everything before "amending"

Page 1, line 10, delete "Subdivision" and insert "Subdivisions 1 and"

And when so amended H.F. No. 438 will be identical to S.F. No. 419, and further recommends that H.F. No. 438 be given its second reading and substituted for S.F. No. 419, 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. Chmielewski from the Committee on Employment, to which was referred

H.F. No. 1220: A bill for an act relating to unemployment compensation; clarifying that quitting work due to sexual harassment does not result in benefit disqualification; amending Minnesota Statutes 1980, Section 268.09, Subdivision 1.

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 62A.10, Subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] Group accident and health insurance is hereby declared to be that form of accident and health insurance covering not less than two employees nor less than ten members, and which may include the employee's or member's dependents, consisting of husband, wife, children, and actual dependents residing in the household, written under a master policy issued to any governmental corporation, unit, agency, or department thereof, or to any corporation, copartnership, individual, employer, or to any association having a constitution or bylaws and formed in good faith for purposes other than that of obtaining insurance under the provisions of this chapter, where officers, members, employees, or classes or divisions thereof, may be insured for their individual benefit.

Any insurer authorized to write accident and health insurance in this state shall have power to issue group accident and health policies.

If an employee and his dependents are insured under a group policy, as the result of employment eligibility for insurance, eligibility for coverage shall not be terminated if the employee ceases to be employed as a result of a personal injury as defined in section 176.011, subdivision 16.

Sec. 2. Minnesota Statutes 1980, Section 62C.14, is amended by adding a subdivision to read:

Subd. 16. No subscriber's individual contract or any group contract shall terminate an individual's or the individual's dependent's eligibility for coverage because the individual is no longer employed as the result of a personal injury as defined in section 176.011, subdivision 16.

Sec. 3. Minnesota Statutes 1980, Section 62D.10, is amended by adding a subdivision to read:

Subd. 5. No health plan shall terminate eligibility for coverage of an enrollee or his dependents because the enrollee is no longer employed as the result of a personal injury as defined in section 176.011, subdivision 16.

Sec. 4. [79.212] [INSURERS TO OFFER DEDUCTIBLES.]

Each insurer licensed to transact workers compensation pursuant to section 60A.06, subdivision 1, clause (5), paragraph (b), shall offer workers' compensation policies which employers may purchase at a lower premium than the premium which would result from use of the schedule of rates approved by the commissioner. These policies shall contain a deductible which specifies the

amount of benefits payable by the employer on each occurrence which results in personal injury.

These policies shall require the insurer to pay all benefits due under the policy. The employer shall deposit the amount of the deductible with the insurer at the inception of the policy period. The insurer shall pay all losses when due utilizing the amounts deposited as specified by the deductible in the policy. The insurer may require the employer to deposit additional funds if the deposited funds are depleted. Each policy shall clearly state the maximum total liability of the employer under the deductible for the policy period.

All interest income earned on the funds deposited with the insurer by the employer shall be credited to the employer. The policy shall provide that funds deposited by the employer, together with the credited interest income, which are not expected to be paid out by the insurer due to claims incurred during the policy period shall be returned to the employer or credited to the next policy period.

The minimum deductible that shall be required is \$1,000 per occurrence and \$5,000 total liability per year.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 79.25, Subdivision 1, is amended to read:

Subdivision 1. When any rejected risk is called to its attention and it appears that the risk is in good faith entitled to coverage the commissioner of insurance shall fix the initial premium therefor and may fix an additional charge to compensate the agent of record for his services and, upon its payment, the commissioner of insurance shall enter into a service contract with one or more ~~qualified members of the association~~ *insurance companies*, or qualified group self-insurance administrators licensed pursuant to section 176.181, subdivision 2, clause (2)(a), whose duty it shall be to issue a policy, or a group self-insurance administration contract, containing the usual and customary provisions found in such policies or contracts therefor, but for which undertaking all ~~members of the association~~ *insurers licensed pursuant to section 60A.06, subdivision 1, clause (5)(b)* shall be reinsurers as among themselves in the amount which the compensation insurance written in this state during the preceding calendar year by that ~~member insurer~~ bears to the total compensation insurance written in this state during the preceding year by all the ~~members of the association licensed insurers~~. The assigned risk plan shall be treated as a group self-insurer member of the reinsurance association for the purposes of sections 79.34 to 79.40 and shall be deemed to have selected the higher retention limit provided in section 79.34, subdivision 2. A qualified ~~member insurer~~ or group self-insurance administrator shall possess sufficient financial, professional, administrative and personnel resources to serve the policies or self-insurance contracts contemplated in the service contract.

Policies and contracts of coverage issued pursuant to this subdivision shall be deemed to meet the mandatory insurance requirements of section 176.181, subdivision 2.

Sec. 6. Minnesota Statutes 1980, Section 79.25, is amended by adding a subdivision to read:

Subd. 3. [ANNUAL ASSESSMENT.] *The commissioner shall annually assess from each insurer licensed pursuant to section 60A.06, subdivision 1,*

clause (5)(b), an amount sufficient to fully fund the obligations of the assigned risk plan. The assessment of each insurer shall be in an amount that the compensation insurance written in this state by that insurer during the preceding calendar year bears to the total compensation insurance written in this state by all licensed insurers during the preceding calendar year.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 79.63, Subdivision 1, is amended to read:

Subdivision 1. [ADMINISTRATION.] The commissioner shall ~~appoint contract with~~ a licensed data service organization to ~~administer make assignments, gather data, collect assessments, and perform other services for~~ the assigned risk plan. ~~The appointed data service organization shall submit to the commissioner for approval a plan and rules for administering the assigned risk plan, including a method or formula by which the organization is to be paid for administrative services.~~

Sec. 8. Minnesota Statutes 1981 Supplement, Section 79.63, Subdivision 2, is amended to read:

Subd. 2. [REJECTION; NOTICE.] An insurer that refuses to write insurance for an applicant shall furnish the applicant a written notice of refusal and shall file a copy of the notice of refusal with the data service organization ~~appointed contracted with pursuant to subdivision 1. Servicing insurers designated pursuant to subdivision 3 shall accept and insure any applicant for workers' compensation insurance assigned pursuant to subdivision 3.~~

Sec. 9. Minnesota Statutes 1981 Supplement, Section 79.63, Subdivision 4, is amended to read:

Subd. 4. [PENALTY.] The commissioner may revoke the license of an insurer or agent for refusing or failing to provide an applicant with written refusal pursuant to subdivision 2 or for any other violation of this section or of the approved rules ~~of a data service organization concerning the assigned risk plan.~~

Sec. 10. Minnesota Statutes 1980, Section 147.20, is amended to read:

147.20 [RESIDENT PHYSICIANS.]

No person shall act as a resident physician without first obtaining such temporary certificate for graduate training and any violation of this section shall be a gross misdemeanor; provided, however, that the provisions of this section shall not apply to a doctor of medicine or doctor of osteopathy duly licensed and registered in this state to practice medicine in all of its branches, nor to a doctor of medicine duly enrolled and regularly attending the graduate school or post graduate program of the medical school of the University of Minnesota including the Mayo foundation.

Sec. 11. Minnesota Statutes 1980, Section 176.011, Subdivision 3, is amended to read:

Subd. 3. [DAILY WEEKLY WAGE.] "~~Daily~~ Weekly wage" means the ~~daily~~ weekly wage of the employee in the employment in which he was engaged at the time of injury but does not include tips and gratuities paid directly to an employee by a customer of the employer and not accounted for by the employee to the employer. *Occasional overtime is not to be considered, but if the*

overtime is regular or frequent throughout the year, it shall be taken into consideration. If the amount of the ~~daily~~ weekly wage received or to be received by the employee in the employment in which he was engaged at the time of injury was irregular or difficult to determine, or if the employment was part time, the ~~daily~~ weekly wage shall be computed by dividing the total amount the employee actually earned in such employment in the last 26 weeks, by the total number of ~~days~~ weeks in which the employee actually performed any of the duties of such employment, provided further, that in the case of the construction industry, mining industry, or other industry where the hours of work are affected by seasonal conditions, ~~the weekly wage shall not be less than five times the daily wage weeks where the employee worked less than the lesser of 40 hours or the normal number of hours worked in a week shall not be included in weeks worked.~~ Where board or allowances other than tips and gratuities are made to an employee in addition to wages as a part of the wage contract they are deemed a part of his earnings and computed at their value to the employee. In the case of persons performing services for municipal corporations in the case of emergency, then the normal working ~~day~~ week shall be considered and computed as ~~eight hours five days~~, and in cases where ~~such~~ the services are performed gratis or without fixed compensation the ~~daily~~ weekly wage of the person injured shall, for the purpose of calculating compensation payable under this chapter, be taken to be the usual going wage paid for similar services in municipalities where ~~such~~ the services are performed by paid employees. If, at the time of injury, the employee was regularly employed by two or more employers, the employee's earnings in all such employments shall be included in the computation of ~~daily~~ weekly wage.

Sec. 12. Minnesota Statutes 1981 Supplement, Section 176.011, Subdivision 9, is amended to read:

Subd. 9. [EMPLOYEE.] "Employee" means any person who performs services for another for hire; and includes the following:

- (1) an alien;
- (2) a minor;
- (3) a sheriff, deputy sheriff, constable, marshal, policeman, firefighter, a county highway engineer, and a peace officer while engaged in the enforcement of peace or in and about the pursuit or capture of any person charged with or suspected of crime and any person requested or commanded to aid an officer in arresting any person, or in retaking any person who has escaped from lawful custody, or in executing any legal process in which case, for purposes of calculating compensation payable under this chapter, the daily wage of the person requested or commanded to assist an officer or to execute a legal process shall be the prevailing wage for similar services where the services are performed by paid employees;
- (4) a county assessor;
- (5) an elected or appointed official of the state, or of any county, city, town, school district or governmental subdivision therein but an officer of a political subdivision elected or appointed for a regular term of office or to complete the unexpired portion of any such regular term, shall be included only after the governing body of the political subdivision has adopted an ordinance or resolution to that effect;

(6) an executive officer of a corporation except an officer of a family farm corporation as defined in section 500.24, subdivision 1, clause (c), nor shall it include an executive officer of a closely held corporation who is referred to in section 176.012;

(7) a voluntary uncompensated worker, other than an inmate, rendering services in state institutions under the commissioner of public welfare and state institutions under the commissioner of corrections similar to those of officers and employees of these institutions, and whose services have been accepted or contracted for by the commissioner of public welfare or the commissioner of corrections as authorized by law, shall be employees within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(8) a voluntary uncompensated worker engaged in peace time in the civil defense program when ordered to training or other duty by the state or any political subdivision thereof, shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services where the services are performed by paid employees;

(9) a voluntary uncompensated worker participating in a program established by a county welfare board shall be an employee within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid in the county at the time of the injury or death for similar services where the services are performed by paid employees working a normal day and week;

(10) a voluntary uncompensated worker accepted by the commissioner of natural resources who is rendering services as a volunteer pursuant to section 84.089 shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where the services are performed by paid employees;

(11) a member of the military forces, as defined in section 190.05, while in "active service" or "on duty" as defined in section 190.05, when the service or duty is ordered by state authority *and the member is compensated for the service from state funds*. The daily wage of the member for the purpose of calculating compensation payable under this chapter shall be based on the member's usual earnings in civil life. If there is no evidence of previous occupation or earning, the trier of fact shall consider the member's earnings as a member of the military forces;

(12) a voluntary uncompensated worker, accepted by the director of the Minnesota historical society, rendering services as a volunteer, pursuant to chapter 138, shall be an employee. The daily wage of the worker, for the purposes of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where the services are performed by paid employees;

(13) a voluntary uncompensated worker, other than a student, who renders

services at the Minnesota school for the deaf or the Minnesota braille and sight-saving school, and whose services have been accepted or contracted for by the state board of education, as authorized by law, shall be an employee within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(14) a voluntary uncompensated worker, other than a resident of the veterans home, who renders services at a Minnesota veterans home, and whose services have been accepted or contracted for by the commissioner of veterans affairs, as authorized by law, is an employee within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(15) a worker who renders in-home attendant care services to a physically handicapped person, and who is paid directly by the commissioner of public welfare for these services, shall be an employee of the state within the meaning of this subdivision, but for no other purpose;

(16) *those students enrolled in and regularly attending the medical school of the University of Minnesota, whether in the graduate school program or the post graduate program, as provided in section 147.20, notwithstanding that the students shall not be considered employees for any other purpose. In the event of the student's injury or death, the weekly wage of the student for the purpose of calculating compensation payable under chapter 176, shall be the annualized educational stipend awarded to the student, divided by 52 weeks. The institution in which the student is enrolled shall be considered the "employer" for the limited purpose of determining responsibility for paying benefits payable under chapter 176.*

In the event it is difficult to determine the ~~daily~~ weekly wage as provided in this subdivision, then the trier of fact may determine the wage upon which the compensation is payable.

Sec. 13. Minnesota Statutes 1980, Section 176.011, is amended by adding a subdivision to read:

Subd. 23. [SPENDABLE WEEKLY WAGE.] (a) "Spendable weekly wage" means weekly wage minus the sum of: (1) the amount which would be withheld according to withholding tables in effect on the January 1 preceding the personal injury, as described in the Internal Revenue Code of 1954, as amended, assuming that the maximum number of exemptions for dependency apply as the worker would be entitled to receive at the time of injury; and (2) the amount which would be withheld according to withholding tables in effect on the January 1 preceding the injury under Minnesota Statutes, Chapter 290, and related rules, assuming that the maximum number of exemptions for dependency apply as the worker would be entitled to receive at the time of injury; and (3) an amount equal to the amount required on the January 1 preceding the injury, by the Social Security Act of 1935 and any related amendments, to be deducted or withheld from the weekly wage of the employee as if the weekly

wage were earned at the beginning of the calendar year in which the injury occurred.

(b) Where there is a dispute as to the correct number of exemptions for dependency which should apply under clause (a), the spendable weekly wage shall be determined according to the minimum number of exemptions to which the employee would be entitled at the time of injury. Upon a final determination of the correct number of exemptions which apply, any additional benefit payable to the employee shall include interest payable at the rate of 18 percent per annum based on the amount of difference due.

Sec. 14. Minnesota Statutes 1981 Supplement, Section 176.021, Subdivision 3, is amended to read:

Subd. 3. [COMPENSATION, COMMENCEMENT OF PAYMENT.] All employers shall commence payment of compensation at the time and in the manner prescribed by this chapter without the necessity of any agreement or any order of the division. Except for medical, burial, and other non-periodic benefits, payments shall be made as nearly as possible at the intervals when the wage was payable, provided, however, that payments for permanent partial disability shall be governed by subdivision 3a. If doubt exists as to the eventual permanent partial disability, payment, pursuant to subdivision 3a, shall be then made when due for the minimum permanent partial disability ascertainable, and further payment shall be made upon any later ascertainment of greater permanent partial disability. At the time of any tender of the lump sum payment, the employee and employer shall be furnished with a copy of the medical report upon which the payment is based, together with a statement by the insurer as to whether the tendered payment is for minimum permanent partial disability or final and eventual disability. Compensation for permanent partial disability is payable in addition to compensation for temporary total disability, rehabilitation and temporary partial disability pursuant to section 176.101, subdivisions 1 and 2, as provided in subdivision 3a. ~~Compensation for permanent partial disability is payable concurrently and in addition to compensation for permanent total disability pursuant to section 176.101, subdivision 5, as provided in subdivision 3a.~~ Compensation for permanent partial disability shall be withheld pending completion of payment for temporary total and temporary partial disability but shall not be withheld pending payment of compensation for permanent total disability, and when it is determined by a qualified rehabilitation consultant pursuant to section 176.102 that the employee's condition precludes the development of a rehabilitation plan. No credit shall be taken for payment of permanent partial disability against liability for temporary total or permanent total disability. Liability on the part of an employer or his insurer for disability of a temporary total, or temporary partial, and permanent total nature shall be considered as a continuing product and part of the employee's inability to earn or reduction in earning capacity due to injury or occupational disease and shall be payable accordingly, subject to subdivision 3a. Permanent partial disability is payable for functional loss of use or impairment of function, permanent in nature, and payment therefore shall be separate, distinct, and in addition to payment for any other compensation, subject to subdivision 3a. The right to receive temporary total, temporary partial, or permanent partial or permanent total disability payments shall vest in the injured employee or his dependents under this chapter or, if none, in his legal heirs at the time the disability can be ascertained and the right shall not be

abrogated by the employee's death prior to the making of the payment.

Sec. 15. Minnesota Statutes 1981 Supplement, Section 176.021, Subdivision 3a, is amended to read:

Subd. 3a. [PERMANENT PARTIAL BENEFITS, PAYMENT.] Payments for permanent partial disability as provided in section 176.101, subdivision 3, shall be made in the following manner:

(a) If the employee returns to work, payment shall be made by lump sum;

(b) If ~~temporary~~ total disability payments have ceased, but the employee has not returned to work, payment shall be made at the same intervals as ~~temporary~~ total disability payments were made;

(c) If ~~temporary~~ total disability payments ~~cease because the employee is receiving payments for permanent total disability or because have not ceased~~ and the employee is retiring or has retired from the work force, then payment shall be made by lump sum;

(d) If the employee completes a rehabilitation plan pursuant to section 176.102, but the employer does not furnish the employee with work he can do in his permanently partially disabled condition, and the employee is unable to procure such work with another employer, then payment shall be made by lump sum.

Sec. 16. Minnesota Statutes 1980, Section 176.021, is amended by adding a subdivision to read:

Subd. 3b. [DISPUTE RESOLUTION.] When the examinations by the employee's physician and the employer's physician produce disability ratings that differ, the employer shall, when it is due, pay the benefit established by the examination conducted by the employer's physician. If there is no settlement and a hearing is held, the compensation judge shall accept one of the two original disability ratings as the appropriate basis for determining permanent partial benefits and shall not accept any other rating. Each dispute shall be resolved by accepting the rating that is closest to the one that would be obtained if an evaluation were conducted in accordance with the standards established in section 37.

Sec. 17. Minnesota Statutes 1980, Section 176.021, Subdivision 5, is amended to read:

Subd. 5. [ACCUMULATED CREDITS, ADDITIONAL PAYMENTS.] If employees of the state or a county, city or other political subdivision of the state who are entitled to the benefits of the workers' compensation law have, at the time of compensable injury, accumulated credits under a vacation, sick leave or overtime plan or system maintained by the governmental agency by which they are employed, the appointing authority may provide for the payment of additional benefits to such employees from their accumulated vacation, sick leave or overtime credits. Such additional payments to an employee may not exceed the amount of the total sick leave, vacation or overtime credits accumulated by the employee and shall not result in the payment of a total weekly rate of compensation that exceeds the weekly wage of the employee. Such additional payments to any employee shall be charged against the sick leave, vacation and overtime credits accumulated by such employee. *Employees of a county, city or other political subdivision entitled to the benefits of the*

workers' compensation law may receive additional benefits pursuant to a collective bargaining agreement or other plan entered into or in effect on or after January 1, 1980, providing payments by or on behalf of the employer and these additional benefits may be unrelated to any accumulated sick leave, holiday or overtime credits and need not be charged against any accumulation; provided that the additional payments shall not result in the payment of a total weekly rate of compensation that exceeds the weekly wage of the employee. The commissioner of the department of labor and industry for the state or the governing body of any county, city or other political subdivision to which the provisions of this chapter apply, may adopt rules and regulations not inconsistent with this chapter for carrying out the provisions hereof relating to payment of additional benefits to employees from accumulated sick leave, vacation or overtime credits or other sources.

Sec. 18. Minnesota Statutes 1980, Section 176.101, Subdivision 1, is amended to read:

Subdivision 1. ~~[TEMPORARY TOTAL DISABILITY.]~~ For injury producing ~~temporary~~ total disability, ~~66 2/3~~ (a) the benefit shall be equal to 90 percent of the ~~daily~~ employee's spendable weekly wage at the time of injury if the employee was earning a weekly wage of \$150 or less, or (b) the benefit shall equal the greater of the benefit which would have been payable if the employee's weekly wage was \$150 or 80 percent of the employee's spendable weekly wage if the employee was earning a weekly wage of \$151 or more ~~(4)~~ provided that ~~during the year commencing on October 1, 1979, and each year thereafter, commencing on October 1,~~ the maximum weekly benefits payable shall be 100 percent of the statewide average weekly wage for the period ending December 31, of the preceding year.

~~(2) The minimum weekly compensation benefits for temporary total disability shall be not less than 50 percent of the statewide average weekly wage or the injured employee's actual weekly wage, whichever is less. In no case shall a weekly benefit be less than 20 percent of the statewide average weekly wage.~~

This ~~compensation~~ benefit shall be ~~paid~~ payable during the period of disability, payment to be made at the intervals when the wage was payable, as nearly as may be, until the injured employee is:

(1) Medically recovered from the personal injury and able to substantially perform the duties of the preinjury job or a job utilizing similar skills. For the purposes of this clause "substantially perform the duties of the preinjury job" means that an employee is able to meet the minimum standards of output or productivity established for the preinjury job. The employer shall have the option of altering or reducing these standards to accommodate any temporary or permanent physical limitations of an employee as a means of establishing a job utilizing similar skills. If an employer is unable to offer employment to the employee after the employee has medically recovered because the employer no longer has a sufficient volume of work for the injured employee and no other employer has offered a job meeting the requirements of clause (1), total disability benefits shall be continued until all other workers performing the same job with the employer at the time of injury but who have less seniority than the injured employee have been laid off. If benefits are terminated due to the layoff the employee shall, notwithstanding any law to the contrary, immediately be eligible for benefits under sections 268.03 to 268.24 provided that the other

eligibility criteria of that chapter have been satisfied;

(2) Receiving temporary partial disability benefits; or

(3) Receiving rehabilitation benefits.

Where an employee is totally disabled for part of a week, the benefit shall be equal to the same portion of the weekly benefit as the days of total disability are to the number of days in the employee's normal work week.

Sec. 19. Minnesota Statutes 1980, Section 176.101, Subdivision 2, is amended to read:

Subd. 2. [TEMPORARY PARTIAL DISABILITY.] In all cases of temporary partial disability the compensation shall be ~~66 2/3 percent of the difference between the daily employee's preinjury spendable weekly wage of the worker at the time of injury and the current spendable weekly wage he is able to earn in his partially disabled condition as the employee was eligible to receive pursuant to subdivision 1.~~ This compensation shall be paid during the period of disability and upon the employee's return to work, payment to be made at the intervals when the wage was payable, as nearly as may be, and subject to a maximum compensation equal to 100 percent of the statewide average weekly wage. ~~If the employer does not furnish the worker with work which he can do in his temporary partially disabled condition and he is unable to procure such work with another employer, after reasonably diligent effort, the employee shall be paid at the full compensation rate for his or her temporary total disability.~~

Sec. 20. Minnesota Statutes 1981 Supplement, Section 176.101, Subdivision 3, is amended to read:

Subd. 3. [PERMANENT PARTIAL DISABILITY.] For permanent partial disability compensation shall be ~~that 66 2/3 percent of the weekly wage for the disability and for the weeks named listed in the following schedule,~~ subject to a total maximum weekly compensation equal to the statewide weekly wage: \$267. The maximum period of compensation shall be 500 weeks.

(1) For the loss of a thumb, 66 2/3 percent of the daily wage at the time of injury during 65 weeks;

(2) For the loss of a first finger, commonly called index finger, 66 2/3 percent of the daily wage at the time of injury during 40 weeks;

(3) For the loss of a second finger, 66 2/3 percent of the daily wage at the time of injury during 35 weeks;

(4) For the loss of a third finger, 66 2/3 percent of the daily wage at the time of injury during 25 weeks;

(5) For the loss of a fourth finger, commonly called the little finger, 66 2/3 percent of the daily wage at the time of injury during 20 weeks;

(6) The loss of the first phalange of the thumb or of any finger, is considered equal to the loss of one-half of the thumb or finger and compensation shall be paid at the prescribed rate during one-half the time specified for the loss of the thumb or finger;

(7) The loss of one and one-half or more phalanges is considered equal to the loss of the entire finger or thumb; but in no case shall the amount received for

more than one finger exceed the amount provided in this schedule for the loss of a hand;

(8) For the loss of a great toe, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 35 weeks;

(9) For the loss of a toe other than a great toe, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 15 weeks;

(10) The loss of the first phalange of any toe is considered equal to the loss of one-half of the toe, and compensation shall be paid at the prescribed rate during one-half the time specified for the loss of the toe;

(11) The loss of one and one-half or more phalanges is considered equal to the loss of the entire toe;

(12) For the loss of a hand, not including the wrist movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 195 weeks;

(13) For the loss of a hand, including wrist movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 220 weeks;

(14) For the loss of an arm, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 270 weeks;

(15) Amputation of the arm below the elbow is considered the loss of a hand, including wrist movement, if enough of the forearm remains to permit the use of an effective artificial member, otherwise it is considered the loss of an arm;

(16) For the loss of a foot, not including ankle movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 140 weeks;

(17) For the loss of a foot, including ankle movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 165 weeks;

(18) For the loss of a leg, if enough of the leg remains to permit the use of an effective artificial member, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 195 weeks;

(19) For the loss of a leg so close to the hip that no effective artificial member can be used, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 220 weeks;

(20) Amputation of a leg below the knee is considered as equal to the loss of a foot, including ankle movement, if enough of the lower leg remains to permit the use of an effective artificial member, otherwise it is considered as equal to the loss of a leg;

(21) For the loss of an eye, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 160 weeks;

(22) For the loss of two eyes, 450 weeks;

(22) (23) For the complete permanent loss of hearing in one ear, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 85 50 weeks;

(23) (24) For the complete permanent loss of hearing in both ears, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 170 200 weeks;

(24) For the loss of an eye and a leg, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 475 weeks;

(25) For the loss of an eye and an arm, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 475 weeks;

(26) For the loss of an eye and a hand, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 450 weeks;

(27) For the loss of an eye and a foot, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 400 weeks;

(28) For the loss of two arms, other than at the shoulder, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(29) For the loss of two hands, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(30) For the loss of two legs, other than so close to the hips that no effective artificial member can be used, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(31) For the loss of two feet, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(32) For the loss of one arm and the other hand, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(33) For the loss of one hand and one foot, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(34) For the loss of one leg and the other foot, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(35) For the loss of one leg and one hand, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(36) For the loss of one arm and one foot, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(37) For the loss of one arm and one leg, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(38) (25) For loss of the voice mechanism, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(39) (26) For head injuries, 66 $\frac{2}{3}$ percent of the daily *weekly* wage at the time of injury for that proportion of 500 weeks which is represented by its percentage of the permanent partial disability to the entire body as is determined from competent testimony at a hearing before a compensation judge or as determined by the workers' compensation court of appeals in cases on appeal;

(40) (27) For permanent partial disability resulting from injury to any internal organ until such time as the commissioner of labor and industry shall promulgate a schedule of internal organs and thereafter for internal organs covered by the schedule of internal organs established by the commissioner, 66 $\frac{2}{3}$ percent of the daily *weekly* wage at time of injury for that proportion of 500 weeks, not to exceed 500 weeks, as determined by the commissioner, which is the proportionate amount of permanent partial disability caused to the entire body by the injury as is determined from competent testimony at a hearing before a compensation judge or the workers' compensation court of appeals;

(41) (28) For disfigurement or scarring not resulting from the loss of a member or other injury specifically compensated, affecting the employability or advancement opportunity of the injured person in the employment in which he was injured or other employment for which the employee is then qualified or for which the employee has become qualified, $66 \frac{2}{3}$ percent of the daily weekly wage at the time of injury during the period the parties agree to or the compensation judge or the workers' compensation court of appeals in cases on appeal determines, not exceeding 90 weeks;

(42) (29) For permanent partial disability resulting from injury to the back, $66 \frac{2}{3}$ percent of the daily wage at the time of injury for that proportion of 350 weeks which is represented by the percentage of the permanent partial disability as is determined from competent testimony at a hearing before a compensation judge, the commissioner, or the workers' compensation court of appeals;

(43) When an employee sustains concurrent injuries resulting in concurrent disabilities he shall receive compensation only for the injury which entitled him to the largest amount of compensation, but this does not affect liability for disfigurement affecting the employability of the injured person or liability for the concurrent loss of more than one member, for which members compensations are provided in the specific schedule and in subdivision 5;

(44) (30) In all cases of permanent partial disability it is considered that the permanent loss of the use of a member is equivalent to and draws the same compensation as the loss of that member, but the compensation in and by this schedule provided shall be in lieu of all other compensation in these cases, except as otherwise provided by this section;

In the event a worker has been awarded or is entitled to receive compensation for loss of use of a member under any workers' compensation law, and thereafter sustains loss of the member under circumstances entitling him to compensation therefor under this subdivision, the amount of compensation awarded, or that he is entitled to receive, for the loss of use, is to be deducted from the compensation due under the schedules of this section for the loss of the member, provided, that the amount of compensation due for the loss of the member caused by the subsequent accident is in no case less than 25 percent of the compensation payable under the schedule of this section for the loss of the member;

(45) In cases of permanent partial disability due to injury to a member, resulting in less than total loss of the member, not otherwise compensated in this schedule, compensation shall be paid at the prescribed rate during that part of the time specified in the schedule for the total loss of the member which the extent of the injury to the member bears to its total loss;

(46) In cases of permanent partial disability caused by simultaneous injury to two or more members, the applicable schedules in this subdivision shall be increased by 15 percent. This clause shall not apply when the injuries are compensated under paragraphs 22 to 37 inclusive, of this subdivision. In cases of partial disability due to injury to both eyes resulting in less than total loss of vision in one or both eyes compensation shall be paid at the prescribed rate during that part of 450 weeks which the extent of the combined injury to both eyes bears to the complete loss of industrial vision;

(47) The commissioner may make or revise rules for the determination of the extent of the impairment of the industrial use of one or both eyes taking into account all primary coordinate factors of vision. These rules shall be made or revised after consultation with experts on industrial vision and after public notice to and hearing of interested parties;

(48) (31) For permanent partial disability resulting from injury to the body as a whole due to burns, $66 \frac{2}{3}$ percent of the daily weekly wage at the time of injury, for that proportion of 350 weeks which is represented by the percentage of the permanent partial disability as is determined from competent testimony at a hearing before a compensation judge or as determined by the workers' compensation court of appeals in cases on appeal; the compensation to be paid in addition to the compensation as employee would otherwise be entitled to for loss of use of a member in accordance with this section;

(49) (32) In all cases of permanent partial disability not enumerated in this schedule the compensation shall be $66 \frac{2}{3}$ percent of the difference between the daily weekly wage of the worker at the time of the injury and the daily wage he is able to earn in his partially disabled condition, subject to a maximum equal to the statewide average weekly wage, and continue during disability, not to exceed 350 weeks; and if the employer does not furnish the worker with work which he can do in his permanently partially disabled condition and he is unable to secure such work with another employer after a reasonably diligent effort, the employee shall be paid at his or her maximum rate of compensation for total disability.

Sec. 21. Minnesota Statutes 1980, Section 176.101, is amended by adding subdivisions to read:

Subd. 7. [HEALTH INSURANCE COVERAGE.] *If at the time of injury the employee or the employee and his or her dependents are covered under an accident and health insurance policy, or a contract issued pursuant to chapter 62C, 62D, or any plan defined in section 62E.02, subdivision 22, for which the employer paid premiums or contributions, the employee and applicable dependents shall be entitled to coverage under that plan or policy, during the period for which total disability benefits are paid pursuant to subdivisions 1 or 4, for up to one year after the time of injury, provided the employee continues to pay any share of the premium which was payable by the employee prior to the injury.*

Subd. 8. [COORDINATION OF OFFSETS.] *If there are benefit payments from more than one of the benefit sources named in subdivisions 9 and 10, each shall reduce the benefit otherwise payable pursuant to this section and the remainder after all reductions shall be the reduced benefit payable pursuant to this section.*

Subd. 9. [SOCIAL SECURITY OFFSET.] *Benefits from any government disability program, or any old age benefits program for which the employee is eligible shall reduce benefits otherwise payable under subdivisions 1 and 4 by the amount of the government benefit. If an employee may be eligible for these benefits but has not made application, then the employer shall notify the employee of the possible eligibility and if no application has been made within 30 days of the notice, the payment of benefits under this chapter shall be interrupted until application is made. These benefits shall be paid in full after the application has been made.*

Subd. 10. [OTHER OFFSETS.] *The benefits payable pursuant to subdivision 1 shall be reduced by one dollar for each dollar received from the benefit sources listed in clauses (a) and (b) of this subdivision. If the employee was required to make contributions to finance the benefit coverage for which an offset pursuant to this subdivision is required, the amount of the benefit pay-*

ment which will reduce the total disability benefit pursuant to this section shall be that fraction of the benefit payment which bears the same proportional relationship that the employer contribution bears to the total contribution for the plan, fund or program:

(a) Any benefit payment from a public or private sector pension or retirement fund or program, whether or not the fund or program is a qualified plan within the meaning of section 401 of the Internal Revenue Code of 1954, as amended, which is payable at an age prior to the attainment of the normal retirement age specified in the benefit plan of the fund or program, or the age for the receipt of a retirement annuity or pension which is not reduced for early retirement, and which is payable on account of the injury, illness or accident of the person which renders the person incapable of continued employment; and

(b) Any benefit payment pursuant to a disability benefit plan or program, whether provided pursuant to a contract with an insurance carrier, self-insured by the employer with reserves or self-insured by the employer without reserves, which is provided to the person by virtue of employment by that employer and which is financed in whole or in part by the employer.

Sec. 22. Minnesota Statutes 1980, Section 176.102, Subdivision 1, is amended to read:

Subdivision 1. [SCOPE.] Vocational Rehabilitation shall train an is intended to restore the injured employee, through physical and vocational rehabilitation, so he may be returned return to a job related to his former employment or to a job in another work area which produces an economic status as close as possible to that he would have enjoyed without disability suitable gainful employment. Rehabilitation to a job with a higher economic status than would have occurred without disability is permitted if it can be demonstrated that this rehabilitation is necessary to increase the likelihood of reemployment. Economic status is to be measured not only by opportunity for immediate income but also by opportunity for future income.

"Suitable gainful employment" for the purposes of this section is employment that is reasonably obtainable and offers an opportunity to restore the injured employee as soon as possible and as nearly as possible to a job related to his former employment or to a job in another work field in which he could produce earnings as close as possible to those he received at the time of the personal injury.

Rehabilitation for employment which may produce earnings greater than those the employee received at the time of personal injury is permitted if it can be demonstrated that this rehabilitation is necessary for re-employment. Consideration shall be given to the employee's qualifications including but not limited to age, education, previous work history, interest, and transferable skills.

Sec. 23. Minnesota Statutes 1980, Section 176.102, is amended by adding a subdivision to read:

Subd. 1b. [REHABILITATION PRIORITIES.] The following priorities are established for use in exploring alternative rehabilitation plans. No higher numbered priority shall be utilized unless all lower numbered priorities have been determined by the qualified rehabilitation consultant to be unlikely to result in returning the employee to suitable gainful employment; provided, if a

lower numbered priority is clearly inappropriate for the employee, the next higher numbered priority shall be utilized.

Priority 1 is modification of the previous job with the same employer, including a transitional return to work.

Priority 2 is a new job with the same employer in keeping with any limitations or restrictions of the employee.

Priority 3 is modification of the previous job with a new employer.

Priority 4 is a new job with a new employer as a result of direct job placement based upon transferable skills.

Priority 5 is a new job with a new employer involving on-the-job training.

Priority 6 is retraining and job placement consistent with the purposes of rehabilitation.

Sec. 24. Minnesota Statutes 1980, Section 176.102, Subdivision 2, is amended to read:

Subd. 2. [ADMINISTRATORS.] The commissioner of labor and industry shall hire a director of medical and rehabilitation services in the classified service. The commissioner of labor and industry is responsible for supervising medical and rehabilitation services, including the selection and delivery of services. The commissioner of labor and industry may hire qualified personnel to assist in his these duties under this section and may delegate his those duties and performance.

Sec. 25. Minnesota Statutes 1980, Section 176.102, Subdivision 3, is amended to read:

Subd. 3. [REVIEW PANEL.] There is created a rehabilitation review panel composed of the commissioner of labor and industry or his a designee, who shall serve as an ex officio member and two members each from labor, employers, insurers, vocational rehabilitation, and medicine and one member representing chiropractors. The members shall be appointed by the governor and shall serve ~~four year~~ four-year terms which may be renewed. Compensation for members shall be governed by section 15.0575. The panel shall select a chairman. The panel shall (a) review and make a determination with respect to (a) appeals regarding rehabilitation plans and benefits; and (b) ~~hold appeals regarding certification approval or revocation of certification approval hearings;~~ (c) The panel shall continuously study medical and rehabilitation services and delivery; and (d) develop and recommend medical and rehabilitation rules as necessary to the commissioner of labor and industry. A majority vote of those attending a panel hearing under subdivision 6 shall constitute the decision of the board.

Sec. 26. Minnesota Statutes 1980, Section 176.102, Subdivision 4, is amended to read:

Subd. 4. [REHABILITATION PLAN; DEVELOPMENT.] Within 30 15 days of the time an employer or his insurer has medical information that an employee is unable due to a personal injury or occupational disease to return to his preinjury occupation the employer shall provide rehabilitation consultation for the employee. The employee, however, has the final decision on which rehabilitation agency is to be utilized pursuant to the provisions of this section.

The consultation shall be done by any person or public or private institution approved by the commissioner of labor and industry. If the consultant determines rehabilitation would significantly reduce or eliminate the decrease in employability, the employer or insurer in conjunction with the rehabilitation consultant shall submit a specific plan of rehabilitation to the commissioner. If the employer does not provide rehabilitation consultation, when required by this section, within the time specified by this subdivision, the commissioner of labor and industry shall notify the employer and insurer that should they fail to provide rehabilitation consultation within 15 days from the receipt of the commissioner's notice, the division of vocational rehabilitation shall be authorized to provide the rehabilitation consultation for the employee. If the employee refuses to submit to any reasonable examinations and evaluative procedures to determine the need for and the details of a plan of rehabilitation, the amount of compensation may be reduced or the right to compensation may be suspended by an order of the division or workers' compensation court of appeals in a matter before it. In developing a plan, consideration shall be given to the employee's age, education, previous work history, interests and skills, or in any event, if within 90 days after the personal injury the employee has not returned to work, the employer shall refer the employee to a qualified rehabilitation consultant for a determination of whether rehabilitation is necessary to carry out the purposes of this section. If rehabilitation is determined to be necessary, the employee and employer shall enter into a program as prescribed in a rehabilitation plan. A copy of the plan, including a target date for return to work, shall be submitted to the department of labor and industry. If, within 30 days of the first consultation with a qualified rehabilitation consultant, the employee objects to the employer's selection of that qualified rehabilitation consultant, the employee must notify the employer and the commissioner in writing of his objection and request the selection of an alternative qualified rehabilitation consultant. If that qualified rehabilitation consultant is objectionable to the employer, and if a mutually acceptable qualified rehabilitation consultant cannot be found, the commissioner shall be notified by the employer in a timely manner that no mutually acceptable qualified rehabilitation consultant can be found. Upon receipt of this notice and within seven days, the commissioner shall provide the employee and employer with a list of three other qualified rehabilitation consultants from which the employee and employer shall, within seven days, each disapprove one qualified rehabilitation consultant. The remaining qualified rehabilitation consultant shall be utilized.

(b) If the employer does not provide rehabilitation evaluation as required by this section within 75 days from the date of injury, the commissioner shall notify the employer that if the employer fails to appoint a qualified rehabilitation consultant within 15 days to conduct a rehabilitation evaluation, the commissioner shall appoint a qualified rehabilitation consultant to provide the evaluation at the expense of the employer unless the commissioner determines the evaluation is not required. The commissioner may assess a penalty of up to \$5,000, to be paid to the special compensation fund by any employer if the commissioner has appointed a qualified rehabilitation consultant and return to work has not been accomplished within 180 days, subject to the limitations in clause (c) below.

(c) If the employee's condition does not permit determination of the employee's need for rehabilitation or a rehabilitation plan cannot be developed within 90 days after the injury, a further rehabilitation evaluation by a qualified rehabilitation consultant is required six months following the date of injury. If the employee's condition still precludes development of a rehabilitation plan at this time, a further evaluation by a qualified rehabilitation con-

sultant shall be conducted in six months and then at yearly intervals as long as no rehabilitation plan has been developed. The commissioner may waive further mandatory evaluations after the second evaluation if he determines in a case that evaluations are not likely to accomplish the purposes of this subdivision. If after two years from the date of injury a rehabilitation plan has not been developed, the employer may determine the time of a subsequent evaluation. Those evaluations shall not occur more frequently than once per year and are not mandatory for the employee, unless directed by the commissioner.

Sec. 27. Minnesota Statutes 1980, Section 176.102, Subdivision 5, is amended to read:

Subd. 5. [ON THE JOB TRAINING.] On the job training is to be given consideration in developing a rehabilitation plan especially where it would produce an economic status similar to that enjoyed prior to disability. When a rehabilitation plan includes on the job training, the employee shall receive compensation while employed in an amount equal to the after tax spendable weekly wage the employee received at the time of the personal injury. This compensation shall be paid in whole or in part by the insurer liable for compensation for the employee's personal injury. The amount of compensation to be paid by this insurer shall be determined in the rehabilitation plan prepared pursuant to this section. Any difference between the amount of compensation the insurer is paying and the after tax wage the employee received at the time of the personal injury shall be paid by the on the job employer, but in no case shall this employer's amount exceed the prevailing wage for the job. After tax wage shall be determined by subtracting federal and state income tax from the employee's gross wage.

A rehabilitation plan which includes on the job training shall attempt to create an incentive for an on the job training employer to hire the employee for on the job training. This incentive may shall be in the form of reducing the on the job training employer's wages paid to the employee by the on the job training employer to a level which is 80 percent or less than the prevailing wage for the job, provided that the total compensation from the insurer, required by this section, and the wages paid by the on the job training employer is not less than the after tax wage received by the employee at the time of the personal injury. The compensation from the insurer and the on the job training employer paid pursuant to this subdivision is in lieu of temporary total disability payments and the additional compensation provided in subdivision 11. The difference between the spendable weekly wage from the preinjury job and spendable weekly wage from the on the job training shall be paid by the employer liable for compensation for the employee's injury but it shall not exceed 100 percent of the statewide average weekly wage at the time of injury. The compensation from the liable employer and the on the job training employer paid according to this subdivision is in lieu of other benefits required to be paid by subdivision 11.

Sec. 28. Minnesota Statutes 1980, Section 176.102, Subdivision 6, is amended to read:

Subd. 6. [PLAN, APPROVAL AND APPEAL.] The commissioner of labor and industry shall review and approve, modify or reject rehabilitation plans developed under subdivision 4. Any persons aggrieved by A decision of the commissioner may appeal be appealed to the rehabilitation review panel within

30 days of the commissioner's decision. The decision of the panel may be appealed to the workers' compensation court of appeals. ~~The panel may approve or reject the decision of the commissioner. If it rejects the commissioner's decision it may formulate its own rehabilitation plan.~~

Sec. 29. Minnesota Statutes 1980, Section 176.102, Subdivision 7, is amended to read:

Subd. 7. [PLAN IMPLEMENTATION; REPORTS.] Upon request by the commissioner, ~~insurer or employer, or qualified rehabilitation consultant,~~ medical and rehabilitation reports of an employee's progress under a plan shall be made by the provider of the medical and rehabilitation service to the commissioner of labor and industry, insurer and employer of an employee's progress under a plan.

Sec. 30. Minnesota Statutes 1980, Section 176.102, Subdivision 8, is amended to read:

Subd. 8. [PLAN MODIFICATION.] Upon request of ~~to the commissioner by the employer, the insurer, or employee to the commissioner, or the qualified rehabilitation consultant,~~ the plan may be suspended, terminated or altered upon a showing of good cause ~~therefor~~, including:

(a) a physical impairment that does not allow the employee to pursue the ~~vocation being trained for rehabilitation plan;~~

(b) the employee's performance level indicates ~~he cannot complete the plan will not be successfully completed;~~ or

(c) an employee does not cooperate with a plan.

An employee may request a change in a rehabilitation plan once because he or she feels ~~he is not suited ill-suited~~ for the type of work for which ~~training rehabilitation~~ is being provided if the request is made within 90 days of the start of the plan. Any decision of the commissioner regarding a change in a plan may be appealed to the ~~rehabilitation review panel~~ within 15 days of the decision.

Sec. 31. Minnesota Statutes 1980, Section 176.102, Subdivision 9, is amended to read:

Subd. 9. [PLAN, COSTS.] An employer is liable for the following rehabilitation expenses under this section:

(a) Cost of ~~vocational~~ rehabilitation ~~diagnosis~~ evaluation and preparation of a plan;

(b) Cost of all rehabilitation services and supplies necessary for implementation of the plan;

(c) Reasonable cost of tuition, books and travel; and, in addition, reasonable costs of board ~~and~~, lodging ~~and custodial day care~~ when rehabilitation requires residence away from the employee's customary residence; ~~and~~

(d) Reasonable costs of travel and daycare during the job interview process;

(e) Reasonable cost for moving expenses of the employee and family if a job is found in a geographic area beyond reasonable commuting distance after a diligent search within the present community. Relocation shall not be paid

more than once, and relocation shall not be required if the new job is located within the same standard metropolitan statistical area as the employee's job at the time of injury; and

(d) (f) Any other expense agreed to be paid.

Sec. 32. Minnesota Statutes 1980, Section 176.102, Subdivision 10, is amended to read:

Subd. 10. [REHABILITATION; CONSULTANTS.] The commissioner shall approve rehabilitation consultants who may propose and implement plans if they satisfy rules promulgated adopted by the commissioner for rehabilitation consultants. A consultant may be an individual or public or private entity, but may not be a vendor of rehabilitation services.

Sec. 33. Minnesota Statutes 1980, Section 176.102, Subdivision 11, is amended to read:

Subd. 11. [COMPENSATION DURING REHABILITATION.] The insurer or employer shall pay up to 156 weeks of compensation during rehabilitation under a plan in an amount equal to 125 percent of the employee's rate for temporary total disability. This payment is in lieu of payment for temporary total, temporary partial, or permanent total disability to which the employee might otherwise be entitled for this period under this chapter, but shall be considered to be the equivalent of temporary total disability for the purposes of section 176.132. If on the job training is part of the rehabilitation program, the weeks during which the insurer or employer pays compensation pursuant to subdivision 5 shall be subtracted from the 156 weeks of retraining compensation which has been paid, if any, pursuant to this subdivision. This subdivision shall not apply to retraining benefits for which liability has been established prior to July 1, 1979. The commissioner shall determine eligibility for rehabilitation services and benefits while the employee is participating in a rehabilitation plan. Rehabilitation benefits shall include payment in an amount equal to the employee's benefit for total or temporary partial disability, whichever is appropriate, and shall be in lieu of the compensation for those disabilities. All rehabilitation benefits payable under chapter 176 shall be discontinued and forfeited for any time during which the employee refuses to submit to any reasonable examinations and evaluative procedures to determine the need for and details of a plan of rehabilitation, or refuses to participate in rehabilitation evaluation as required by this section or does not make a good faith effort to participate in a rehabilitation plan.

Sec. 34. Minnesota Statutes 1980, Section 176.102, is amended by adding a subdivision to read:

Subd. 11a. [BENEFIT DURATION DURING REHABILITATION.] Unless the employee has returned to work, benefits during rehabilitation shall continue as provided in subdivision 11 until the sooner of the following:

(a) The rehabilitation plan has been completed and within 90 days the employer or another employer has offered the employee employment consistent with the skills developed in the rehabilitation plan at a job in which the employee is capable of performing; at which time benefits shall cease or temporary partial disability benefits shall begin, whichever is appropriate; or

(b) The rehabilitation plan has been completed and after 90 days the em-

ployer or another employer has offered the injured employee a job which is within the physical capabilities of the employee, at which time benefits shall cease or temporary partial disability benefits shall begin, whichever is appropriate; or

(c) The rehabilitation plan has been completed and 180 days have elapsed at which time benefits shall cease unless the employee is eligible for permanent partial benefits for at least 50 weeks. If the employee is eligible, benefits shall be payable for an additional period of time until either an offer of employment is made to the employee which is within the employee's physical capabilities or the time established for the impairment percentages shown below has elapsed.

Weeks of Permanent Partial
Disability After Completion
of Rehabilitation Plan
50 - 99 weeks
100 - 199 weeks
200 - 299 weeks
300 weeks or more

Maximum Benefit Period
After Completion of
Rehabilitation Plan
6 months
12 months
24 months
duration of the
disability

Sec. 35. Minnesota Statutes 1980, Section 176.102, Subdivision 12, is amended to read:

Subd. 12. [RULES.] The commissioner shall ~~promulgate~~ *adopt* rules necessary to implement this section including rules relating to qualifications necessary to be an approved rehabilitation consultant and rules relating to the requirements to be an approved registered vendor of rehabilitation services.

Sec. 36. [176.103] [ADDITIONAL DISABILITY BENEFIT.]

Subdivision 1. Any employee who, as a result of personal injury, has not returned to employment within two years following the date of the personal injury and is totally disabled shall be eligible to apply to the department of labor and industry for additional benefits if each of the following conditions exist:

(a) The employee has been evaluated for rehabilitation as provided by section 176.102 and the determination has been made and approved by the department that, as a result of the injury, it is highly improbable that the employee can be sufficiently rehabilitated to allow a return to work;

(b) The employee's weekly wage at the time of injury was at a level that did not represent the weekly wage that could be reasonably expected by the employee in the future due to substantial evidence supportive of a likelihood that the employee would not have remained in employment which provided a weekly wage similar to the weekly wage at the time of injury because of a demonstrated commitment to enter an occupation different from the one in which the employee was employed at the time of injury. The burden of proof for establishing this shall be with the employee; and

(c) The employee shall demonstrate substantial financial need.

Subd. 2. An application shall be considered by a workers' compensation judge who shall consider the evidence and determine the employee's eligibility for additional benefits based on the evidence. If the workers' compensation judge determines that the employee is eligible for additional benefits, the judge

shall order that an amount shall be paid to the employee from the special compensation fund, subject to the following restrictions:

(a) Any additional benefit ordered shall be paid on a periodic basis so as to coincide with the ongoing benefit paid by the employer and shall commence at a date following the order; and

(b) The total workers' compensation benefit paid to the employee shall not exceed the statewide average weekly wage in effect at the time of injury, subject to the adjustment pursuant to section 176.645.

Sec. 37. Minnesota Statutes 1980, Section 176.105, is amended by adding a subdivision to read:

Subd. 4. The commissioner shall by rule adopt procedures to determine the percentage of a partial loss of function of a part of the body described in section 176.101, subdivision 3.

Temporary rules shall be adopted for this purpose for use beginning January 1, 1983. Prior to the adoption of these rules, at least two public hearings shall be held by the commissioner of labor and industry, in addition to the requirements of section 15.0412, subdivision 5. Notwithstanding the provisions of section 15.0412, subdivision 5, the temporary rules adopted under this subdivision shall be effective for a period of up to 18 months unless earlier superseded by the permanent rules required by this subdivision.

If permanent rules have not been adopted by July 1, 1984, the American Medical Association's Guides to the Evaluation of Permanent Impairment, published by the American Medical Association and copyrighted in 1977, shall serve as the rules for the percentage of partial loss of function of the scheduled part of the body and shall be effective until permanent rules are adopted.

The rules adopted pursuant to this subdivision shall:

(a) Promote objectivity and consistency in the evaluation of permanent functional impairment due to personal injury and in the assignment of a numerical rating to the functional impairment;

(b) Establish relative values of the various partial disabilities with the maximum number of weeks for the total disability of a body part fixed in section 176.101, subdivision 3.

(c) Establish a procedure such that a discreet number of percentage ratings for a partial disability are possible between zero and one hundred, providing that the number of possible rating values shall not exceed 20.

The commissioner shall consider the following factors in developing rules for the evaluation and rating of functional disability and the schedule for permanent partial disability benefits:

(a) The workability and simplicity of the procedures with respect to the evaluation of functional disability;

(b) The consistency of the procedures with accepted medical standards;

(c) Rules, guidelines, and schedules that exist in other states or that have been developed by professional associations or organizations and are related to the evaluation of permanent partial disability or to a schedule of benefits for functional disability;

(d) *The effect the rules may have on reducing litigation;*

(e) *The treatment of pre-existing conditions with respect to the evaluation of permanent functional disability provided that any pre-existing conditions must be objectively determined by medical evidence.*

If an employee, due to personal injury, suffers permanent functional disability of more than one scheduled body part, the total number of weeks of benefit to which the employee is entitled shall be determined by the following formula so as to ensure that the maximum number of weeks payable for all functional disability combined shall not exceed 500 weeks:

$$A + [1.0 - (A/500)]B$$

where:

A = the number of weeks awardable for the permanent partial disability to the first body part, and

B = the number of weeks otherwise awardable for the second body part.

For further permanent partial disabilities, the above formula shall be applied providing that A will be the total number of weeks of permanent partial disability benefits awarded for all permanent partial disabilities for which benefits were determined prior to consideration of the current disability to the first body part and B will be the number of weeks otherwise payable for the current disability to the second body part.

Sec. 38. Minnesota Statutes 1980, Section 176.111, Subdivision 1, is amended to read:

Subdivision 1. [PERSONS WHOLLY DEPENDENT, PRESUMPTION.] For the purposes of this chapter the following persons are conclusively presumed to be wholly dependent:

(a) spouse, unless it ~~be~~ is shown that the spouse and decedent were voluntarily living apart at the time of the injury or death; or unless it is shown that the deceased employee's average weekly wage at the time of personal injury was less than 35 percent of the sum of the average weekly wages of the employee and spouse at the time of personal injury, in which case the benefit due under this section shall be the benefit otherwise payable multiplied by the percentage established below in column 2:

Column 1	Column 2
Percent Earned by the Deceased Employee of the Sum of the Average Weekly Wages of the Injured Employee and Spouse at the Time of Injury	Percent of Benefits Otherwise Payable
30-34	95
25-29	90
20-24	80
15-19	70
10-14	50
9 or less	25

(b) children under 18 years of age, or a child under the age of ~~25~~ 22 years who is regularly attending as a full time student at a high school, college, or

university, or regularly attending as a full time student in a course of vocational or technical training.

Sec. 39. Minnesota Statutes 1980, Section 176.111, is amended by adding a subdivision to read:

Subd. 1a. [SURVIVING SPOUSE; REHABILITATION.] Upon the request of a qualified dependent surviving spouse, rehabilitation services shall be provided by the employer. For the purposes of this subdivision a qualified dependent surviving spouse is a dependent surviving spouse who is in need of rehabilitation assistance to become self-supporting. The rehabilitation services shall be limited to those in section 176.102, subdivision 9. Rehabilitation services need not be provided if the request for the service is not received within two years of the employee's death or the youngest dependent child becoming 18 years of age, whichever is later.

Sec. 40. Minnesota Statutes 1980, Section 176.111, is amended by adding a subdivision to read:

Subd. 9. [BENEFIT PERIOD; COMMENCEMENT.] The ten year periods enumerated in subdivisions 7 and 8 shall begin to be counted upon the 18th birthday of the youngest surviving dependent child.

Sec. 41. Minnesota Statutes 1980, Section 176.111, Subdivision 18, is amended to read:

Subd. 18. [BURIAL EXPENSE.] In all cases where death results to an employee from a personal injury arising out of and in the course of employment, the employer shall pay the expense of burial, not exceeding in amount \$1,000 \$2,500. In case any dispute arises as to the reasonable value of the services rendered in connection with the burial, such reasonable value shall be determined and approved by the commissioner of the department of labor and industry, a compensation judge, or workers' compensation court of appeals, in cases upon appeal, before payment, after such reasonable notice to interested parties as is required by the commissioner of the department of labor and industry. If the deceased leave no dependents, no compensation is payable, except as provided by this chapter.

Sec. 42. Minnesota Statutes 1981 Supplement, Section 176.111, Subdivision 21, is amended to read:

Subd. 21. [DEATH, BENEFITS; COORDINATION WITH GOVERNMENTAL SURVIVOR BENEFITS OFFSETS.] *The following provision shall apply to any dependent entitled to receive weekly compensation benefits under this section as the result of the death of an employee, and who is also receiving or entitled to receive benefits under any government survivor program:*

The combined total of weekly government survivor benefits and workers' compensation death benefits provided under this section shall not exceed 100 percent of the weekly wage being earned by the deceased employee at the time of the injury causing his death; provided, however, that no state workers' compensation death benefit shall be paid for any week in which the survivor benefits paid under the federal program, by themselves, exceed 100 percent of such weekly wage provided, however, the workers' compensation benefits payable to a dependent surviving spouse shall not be reduced on account of any governmental survivor benefits payable to decedent's children if the support of

the children is not the responsibility of the dependent surviving spouse.

For the purposes of this subdivision "dependent" means dependent surviving spouse together with all dependent children and any other dependents. For the purposes of this subdivision, mother's insurance benefits received pursuant to 42 U.S.C., 402 (g), are benefits under a government survivor program. Benefits from any governmental old age or survivors benefits program for which the dependent spouse or dependent child are eligible based in part or in full upon the employment experience of the deceased employee shall reduce benefits otherwise payable under this section, however, the workers' compensation benefits payable to a dependent surviving spouse shall not be reduced on account of any governmental survivor benefits payable to decedent's children if the support of the children is not the responsibility of the dependent surviving spouse. Each dollar received from these programs shall result in a reduction of the death benefit payable by one dollar. If a dependent may be eligible for these benefits but has not made application then the employer shall notify the dependent of the possible eligibility and if no application has been made within 30 days of the notice, the payment of benefits under this chapter shall be interrupted until the application is made. These benefits shall be paid in full after the application has been made.

Sec. 43. Minnesota Statutes 1980, Section 176.111, is amended by adding a subdivision to read:

Subd. 22. [HEALTH INSURANCE COVERAGE.] In any case where a dependent is eligible to receive benefits under this section and was also covered under an accident and health insurance policy or under a contract issued under chapter 62C or 62D or any plan defined in section 62E.02, subdivision 22, at the time of the employee's death, and where the cost of that coverage was partially or totally paid by the employer, the employer shall continue to pay the same proportion of the cost of maintaining coverage under that contract or plan for a period of one year, provided the dependent pays any proportion of the premium which was payable by the employee.

Sec. 44. Minnesota Statutes 1980, Section 176.121, is amended to read:

176.121 [COMMENCEMENT OF COMPENSATION.]

In cases of temporary total or temporary partial disability no compensation shall be allowed for the three days after the disability commenced, except as provided by section 176.135, nor in any case unless the employer has actual knowledge of the injury or is notified thereof within the period specified in section 176.141. If such disability continues for ~~40~~ seven days or longer, such compensation shall be computed from the commencement of the disability.

Sec. 45. Minnesota Statutes 1980, Section 176.131, Subdivision 1, is amended to read:

Subdivision 1. If an employee incurs personal injury and suffers disability that is substantially greater, because of a pre-existing physical impairment, than what would have resulted from the personal injury alone, the employer shall pay all compensation provided by this chapter, but he shall be reimbursed from the special compensation fund for all compensation paid in excess of 52 weeks of monetary benefits and \$2,000 in medical expenses, subject to the following exceptions:

If the personal injury alone results in permanent partial disability to a

scheduled member under section 176.101, the monetary and medical expense limitations shall not apply and the employer shall be liable for ~~such~~ compensation, medical expense, and ~~retraining~~ *rehabilitation* attributable to the permanent partial disability, and he may be reimbursed from the compensation fund only for compensation paid in excess of ~~such~~ *the* disability.

Sec. 46. Minnesota Statutes 1980, Section 176.131, Subdivision 1a, is amended to read:

Subd. 1a. If an employee is employed in an on the job ~~retraining~~ *training* program pursuant to section 176.102 and the employee incurs a personal injury that aggravates the personal injury for which the employee has been certified to enter the on the job ~~retraining~~ *training* program, the on the job training employer shall pay the medical expenses and ~~compensation~~ *benefits* required by this chapter, but shall be reimbursed from the special compensation fund for the ~~compensation~~ *benefits* and medical expense that is ~~are~~ attributable to the aggravated injury. The employer, at the time of the personal injury for which the employee has been certified for ~~retraining~~ *rehabilitation*, is liable for the portion of the disability that is attributable to that injury.

Sec. 47. Minnesota Statutes 1980, Section 176.131, Subdivision 8, is amended to read:

Subd. 8. As used in this section the following terms have the meanings given them:

“Physical impairment” means any physical or mental condition that is permanent in nature, whether congenital or due to injury, disease or surgery and which is or is likely to be a hindrance or obstacle to obtaining employment provided that, physical impairment as used herein is limited to the following:

- (a) Epilepsy,
- (b) Diabetes,
- (c) Hemophilia,
- (d) Cardiac disease,
- (e) Partial or entire absence of thumb, finger, hand, foot, arm or leg,
- (f) Lack of sight in one or both eyes or vision in either eye not correctable to 20/40,
- (g) Residual disability from poliomyelitis,
- (h) Cerebral Palsy,
- (i) Multiple Sclerosis,
- (j) Parkinson's disease,
- (k) Cerebral vascular accident,
- (l) Chronic Osteomyelitis,
- (m) Muscular Dystrophy,
- (n) Thrombophlebitis,
- (o) Any other physical impairment for which at least 50 weeks or more of weekly benefits would be payable as permanent partial disability if the physical

impairment were evaluated according to standards used in workers' compensation proceedings, and

(p) Any other physical impairments of a permanent nature which the workers' compensation court of appeals may by rule prescribe;

"Compensation" has the meaning defined in section 176.011;

"Employer" includes insurer;

"Disability" means, unless otherwise indicated, any condition causing either temporary total, temporary partial, permanent total, permanent partial, death, medical expense, or ~~retraining~~ *rehabilitation*.

Sec. 48. Minnesota Statutes 1981 Supplement, Section 176.131, Subdivision 10, as amended by Laws 1981, Third Special Session Chapter 2, Article I, Section 20, is amended to read:

Subd. 10. The special compensation fund is created for the purposes provided in this chapter in the following manner:

(1) In every case of death of an employee resulting from personal injury arising out of and in the course of employment where there are no persons entitled to monetary benefits of dependency compensation, the employer shall pay to the commissioner the sum of ~~\$5,000~~ \$25,000 for the benefit of the special compensation fund; in every case of death of an employee resulting from personal injury arising out of and in the course of employment where there are no persons entitled to at least ~~\$5,000~~ \$25,000 in monetary benefits of dependency compensation, the employer shall pay to the commissioner for the benefit of the special compensation fund the difference between the amounts actually paid for the dependency benefits and ~~\$5,000~~ \$25,000; but in no event shall the employer pay the commissioner less than \$1,000;

(2) ~~When an employee suffers a personal injury which results in permanent partial disability, temporary total disability, temporary partial disability, permanent total disability or death and which entitles him or his dependents to compensation under sections 176.101 or 176.111, the employer~~ Each insurer, self-insurer and group self-insurer shall, in addition to compensation provided therein, annually pay to the commissioner for the benefit of the special compensation fund a lump sum without interest deduction equal to a percent of the total compensation determined as provided in this subdivision as soon as the amount payable for the particular injury is determined, or arrived at by agreement of the parties, and the amount is approved by the commissioner.

The provisions of clauses (1) and (2) shall apply to all workers' compensation payments, exclusive of medical costs, paid under sections 176.101 and 176.111 for all injuries or death occurring on or after June 1, 1971.

Personal injuries that occurred prior to June 1, 1971 shall be assessed at the rate in effect on the date of occurrence percentage of its standard earned premium as determined by the commissioner of insurance for the prior year. The commissioner of insurance shall provide the commissioner with the standard earned premium of each insurer, self-insurer and group self-insurer by April 15. The commissioner shall inform each insurer, self-insurer and group self-insurer of the amount due by June 1.

In determining the percentage of the total compensation *standard earned*

premium required to be paid by the employer to the commissioner for the benefit of the special compensation fund as provided in clause (2) beginning September 30, 1981 and each September 30 thereafter, the commissioner of insurance shall use the following schedule:

Balance in the Fund	Permissible Range of Rate Adjustment
Less than \$2,000,000	± 1 percent to ± 7 percent
At least \$2,000,000 but less than \$3,000,000	0 percent to ± 6 percent
At least \$3,000,000 but less than \$4,000,000	-2 percent to ± 4 percent
At least \$4,000,000 but less than \$5,000,000	-5 percent to ± 3 percent
At least \$5,000,000 but less than \$6,000,000	-6 percent to ± 2 percent
\$6,000,000 or more	-7 percent to ± 2 percent

In determining the actual adjustment, the commissioner shall take into account his estimate of the likely amount of expenditures to be made from the fund in the next calendar year estimate the total claims expected to be made against the special fund for the period beginning July 1 and shall divide that number by the total standard earned premium reported to the commissioner of insurance. The percentage due July 1, 1982, and July 1, 1983, shall be six and one-half percent. The assessment due July 1, 1982, shall be in lieu of any other assessment authorized for 1982 by this section and any other assessment is void and shall be of no effect. The maximum increase in any year shall be two percent.

Sums paid to the commissioner pursuant to the provisions hereof, shall be deposited with the state treasurer for the benefit of the special compensation fund and be used to pay the benefits provided by this chapter. All money heretofore arising from the provisions of this section or similar law shall be transferred to this special compensation fund. Any interest or profit accruing from investment of these sums shall be credited to the special compensation fund.

The state treasurer shall be the custodian of this special fund and the workers' compensation division, compensation judges, the workers' compensation court of appeals or district court in cases before them shall direct the distribution thereof, the same to be paid as other payments of compensation are paid. In case deposit is or has been made under the provisions of clause (1) and dependency later is shown, or if deposit is or has been made pursuant to either clause (1) or (2) by mistake or inadvertence, or under circumstances that justice requires a refund thereof, the state treasurer is authorized to refund the deposit under order of the workers' compensation division, a compensation judge, the workers' compensation court of appeals or a district court. There is appropriated to the persons entitled to the refunds from the fund an amount sufficient to make the refund and payment.

The attorney general shall be the attorney for the special compensation fund and shall be its legal advisor and shall represent the fund in actions by it or against it before the division, a compensation judge, the workers' compensation court of appeals or district court or the supreme court.

The accounting, investigation, and legal costs necessary for the administra-

tion of the programs financed by the special compensation fund shall be paid from the fund during each biennium commencing July 1, 1981. Staffing and expenditures related to the administration of the special compensation fund shall be approved through the regular budget and appropriations process.

Sec. 49. Minnesota Statutes 1980, Section 176.132, Subdivision 1, is amended to read:

Subdivision 1. [ELIGIBLE RECIPIENTS.] An employee who has suffered personal injury *prior to December 31, 1980* for which benefits are payable under section 176.101 and who has been totally disabled for more than 104 weeks shall be eligible for supplementary benefits as hereinafter prescribed *except, that an employee who was injured after October 1, 1975, and who is not eligible to receive supplementary benefits on January 1, 1983, shall not receive supplementary benefits.* Regardless of the number of weeks of total disability, no totally disabled person shall be ineligible for supplementary benefits after four years have elapsed since the first date of his total disability, provided that all periods of disability are caused by the same injury.

Sec. 50. Minnesota Statutes 1981 Supplement, Section 176.132, Subdivision 2, is amended to read:

Subd. 2. [AMOUNT.] (a) The supplementary benefit payable under this section *as of January 1, 1983*, shall be the difference between the amount the employee receives on or after January 1, 1976, under section 176.101, subdivision 1 or subdivision 4, and ~~65 percent of the statewide average weekly wage as computed annually~~ *\$184. The figure \$184 shall be adjusted pursuant to section 176.645.*

(b) In the event an eligible recipient is currently receiving no ~~compensation benefits~~ or is receiving a reduced level of ~~compensation benefits~~ because of a credit being applied as the result of a third party liability or damages, the employer or insurer shall ~~compute the offset credit as if the individual were entitled to the actual benefit or 65 percent of the statewide average weekly wage as computed annually, whichever is greater.~~ If this results in the use of a higher credit than otherwise would have been applied and the employer or insurer becomes liable for compensation benefits which would otherwise not have been paid, the additional benefits resulting shall be handled according to this section ~~pay the difference between the reduced level of benefits and \$184. The figure \$184 shall be adjusted pursuant to section 176.645.~~

(c) In the event an eligible recipient is receiving no compensation or is receiving a reduced level of compensation because of a valid agreement in settlement of a claim, no supplementary benefit shall be payable under this section. Attorney's fees shall be allowed in settlements of claims for supplementary benefits in accordance with this chapter.

(d) In the event an eligible recipient is receiving no compensation or is receiving a reduced level of compensation because of prior limitations in the maximum amount payable for permanent total disability or because of reductions resulting from the simultaneous receipt of old age or disability benefits, the supplementary benefit shall be payable for the difference between the actual amount of compensation currently being paid and ~~65 percent of the statewide average weekly wage as computed annually~~ *\$184. The figure \$184 shall be*

adjusted pursuant to section 176.645.

(e) In the event that an eligible recipient is receiving simultaneous benefits from any government disability program, the amount of supplementary benefits payable under this section shall be reduced by five percent. If the individual does not receive the maximum benefits for which he is eligible under other governmental disability programs due to the provisions of 42 U.S.C. 424a (d), this reduction shall not apply.

Sec. 51. Minnesota Statutes 1981 Supplement, Section 176.133, is amended to read:

176.133 [ATTORNEY'S FEES, SUPPLEMENTARY BENEFITS.]

~~Attorney's~~ No attorney fees ~~may~~ shall be permitted or approved by a compensation judge or by the workers' compensation court of appeals from the supplementary workers' compensation benefits provided by section 176.132 if ~~unless~~ the case ~~solely~~ involves the obtaining of supplementary workers' compensation benefits. When ~~such~~ attorney fees are allowed an amount equal to 25 percent of that portion of the fee which is in excess of \$250 shall be added to the employee's benefit as provided in section 176.081 rather than deducted as a portion ~~thereof~~ of the benefit. The fees shall be determined according to section 176.081.

Sec. 52. Minnesota Statutes 1980, Section 176.135, Subdivision 1a, is amended to read:

Subd. 1a. [NON-EMERGENCY SURGERY; SECOND SURGICAL OPINION.] The employer is required to furnish surgical treatment pursuant to subdivision 1 only after the employee has obtained two surgical opinions concerning whether the surgery is reasonably required to cure and relieve the effects of the personal injury or occupational disease. If at least one of the opinions affirms that the surgery is reasonably required, the employee may choose to undergo the surgery at the employer's expense. A second surgical opinion is not required in cases of emergency surgery ~~or when the employer and employee agree that the opinion is not necessary.~~

Sec. 53. Minnesota Statutes 1981 Supplement, Section 176.136, is amended to read:

176.136 [MEDICAL FEE REVIEW.]

The commissioner of insurance shall by rule establish procedures for determining whether or not the charge for a health service is excessive. In order to accomplish this purpose, the commissioner of insurance shall consult with insurers, associations and organizations representing the medical and other providers of treatment services and other appropriate groups. The procedures established by the commissioner of insurance shall limit the charges allowable for medical, chiropractic, podiatric, surgical, hospital and other health care provider treatment or services, as defined and compensable under section 176.135, to the 75th percentile of usual and customary fees or charges based upon billings for each class of health care provider during all of the calendar year preceding the year in which the determination is made of the amount to be paid the health care provider for the billing. The procedures established by the commissioner for determining whether or not the charge for a health service is excessive shall be structured to encourage providers to develop and deliver

services for rehabilitation of injured workers. The procedures shall incorporate the provisions of sections 144.701, 144.702, and 144.703 to the extent that the commissioner finds that these provisions effectively accomplish the intent of this section or are otherwise necessary to insure that quality hospital care is available to injured employees. If the commissioner of insurance, a compensation judge, the workers' compensation court of appeals or a district court determines that the charge for a health service or medical service is excessive, no payment in excess of the reasonable charge for that service shall be made under this chapter nor may the provider collect or attempt to collect from the injured employee or any other insurer or government amounts in excess of the amount payable under this chapter; however, the commissioner of insurance shall by rule establish procedures allowing for a provider to appeal such determination. The commissioner of insurance shall contract with a review organization as defined in section 145.61 for the purposes listed in section 145.61, subdivision 5, and report to the legislature by January 15, 1983 and thereafter on January 15 of every odd-numbered year, regarding the delivery of medical and health care services, including rehabilitation services, under the workers' compensation laws of this state.

The commissioner of insurance shall also establish by rule standards and a procedure for determining whether a provider of health care services, including a provider of medical, chiropractic, podiatric, surgical, hospital or other services, is performing procedures or providing services at a level or with a frequency that is excessive, based upon accepted medical standards for quality health care.

If it is determined by the commissioner of insurance that the level or frequency of procedures or services of a provider is excessive according to the standards established by the rules, the provider shall not be paid for any excessive procedures or services by an insurer, self-insurer or group self-insurer. In addition, the provider shall not be reimbursed or attempt to collect reimbursement for the excessive procedures or services from any other source, including the employee, another insurer, the special compensation fund or any government program.

A provider who is determined by the commissioner of insurance to be consistently performing procedures or providing services at an excessive level shall be prohibited from receiving any further reimbursement for procedures or services provided pursuant to chapter 176. A prohibition imposed on a provider pursuant to this clause shall be grounds for revocation of the provider's license or certificate of registration to provide health care in Minnesota by the commissioner of health or other appropriate licensing body.

The rules adopted pursuant to this section shall require insurers, self-insurers and group self-insurers to report a reasonable amount of medical data necessary to implement the procedures required by this section.

The commissioner of insurance shall also conduct a study of the qualifications and background of rehabilitation consultants and vendors providing services under section 176.102 for the purpose of determining whether there are adequate professional standards provided, including safeguards to protect against conflicts of interest.

The commissioner of insurance shall adopt temporary rules in order to implement the provisions of this ~~subdivision~~ section. Notwithstanding the

provisions of section 15.0412, subdivision 4, and any amendments, the temporary rules adopted by the commissioner of insurance pursuant to this subdivision may be extended for an additional 180 days if the procedures for adoption of a rule pursuant to section 15.0412, subdivisions 4 to 4g, or 4h, and other provisions of the administrative procedure act related to final agency action and rule adoption have not been concluded.

Sec. 54. [176.138] [MEDICAL DATA; RELEASE TO INSURER AND EMPLOYER.]

For the purpose of facilitating the prompt determination and delivery of benefits payable under chapter 176, data describing the medical condition of an employee which are directly related to the personal injury shall be made available to the employer. Notwithstanding sections 15.163 and 15.1698 or any other laws related to the privacy of medical data, the release of those data to the employer or insurer shall not require prior approval, written or otherwise, on the part of the employee. Upon receiving written request from the employer or insurer, the data directly related to the current medical condition of an employee suffering a personal injury shall be provided, by the holder of the data, to the employer. The data shall be provided within seven working days of receiving the request. The employer or insurer shall inform the employee of the request for these data at the time it is made and shall not release these data to anyone other than the employee.

Sec. 55. [176.146] [NOTICE TO INSURERS; PENALTY.]

The employer of any employee who suffers a personal injury shall inform the insurer of the occurrence of the injury within three days of notice of the injury. Notice shall be made on forms provided by the insurer. Consistent failure by the employer to provide notice shall entitle the insurer to cancel, upon 15 days notice to the employer, any effective policy insuring the employer's liability under chapter 176, at which time any unearned premium paid by the employer to the insurer shall be returned to the employer.

Sec. 56. Minnesota Statutes 1981 Supplement, Section 176.182, is amended to read:

176.182 [BUSINESS LICENSES OR PERMITS; COVERAGE REQUIRED.]

Every state or local licensing agency shall withhold the issuance of a license or permit to operate a business in Minnesota until the applicant presents acceptable evidence of compliance with the workers' compensation insurance coverage requirement of section 176.181, subdivision 2.

Neither the state nor any governmental subdivision thereof shall enter into any contract for the doing of any public work before receiving from all other contracting parties acceptable evidence of compliance with the workers' compensation insurance coverage requirement of section 176.181, subdivision 2.

This section shall not be construed to create any liability on the part of the state or any governmental subdivision to pay workers' compensation benefits or to indemnify the special compensation fund, an employer, or insurer who pays workers' compensation benefits.

Sec. 57. Minnesota Statutes 1981 Supplement, Section 176.221, Subdivision 2, is amended to read:

Subd. 2. [GRANT OF EXTENSION.] Upon application made within 30 days after the date on which the first payment was due, the commissioner may grant an extension of time within which to determine liability. The extension shall not exceed 30 days. *No grant of an extension of time by the commissioner shall relieve the employer of the obligation to commence the payment of benefits within 14 days as required by subdivision 1.*

Sec. 58. Minnesota Statutes 1981 Supplement, Section 176.221, Subdivision 3, is amended to read:

Subd. 3. [PAYMENTS TO SPECIAL COMPENSATION FUND.] Where an employer or insurer fails to begin payment of compensation, charges for treatment under section 176.135 or ~~retraining~~ *rehabilitation* expenses under 176.102, subdivision 9, or to file a denial of liability, or to request an extension of time within 30 days after the date on which the first payment was due, he shall pay to the special compensation fund an amount equal to the total amount of compensation to which the employee is entitled because of the injury. In addition, each day subsequent to the end of the period and until a compensation payment is made to the injured employee, the person responsible for payment of compensation shall pay to the special compensation fund an amount equal to the total compensation to which the injured employee is entitled.

Sec. 59. Minnesota Statutes 1981 Supplement, Section 176.221, Subdivision 7, is amended to read:

Subd. 7. [INTEREST.] Any payment of compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, subdivision 9 not made when due shall bear interest at the *greater of the rate of eight 18* percent per annum *or the rate set by section 549.09, subdivision 1*, from the due date to the date the payment is made.

Sec. 60. Minnesota Statutes 1980, Section 176.225, Subdivision 1, is amended to read:

Subdivision 1. [GROUNDS.] Upon reasonable notice and hearing or opportunity to be heard, the division or upon appeal, the workers' compensation court of appeals or the supreme court may award compensation, in addition to the total amount of compensation award, of up to 25 percent of that total amount where an employer or insurer has:

- (a) instituted a proceeding or interposed a defense which does not present a real controversy but which is frivolous or for the purpose of delay; or,
- (b) unreasonably or vexatiously delayed payment; or,
- (c) neglected or refused to pay compensation; or,
- (d) intentionally underpaid compensation.

In any case of an award made pursuant to this subdivision, there shall be added to the compensation award an amount equal to 18 percent per annum interest computed from the date of injury.

Sec. 61. Minnesota Statutes 1981 Supplement, Section 176.225, Subdivision 5, is amended to read:

Subd. 5. [PENALTY.] Where the employer is guilty of inexcusable delay in

making payments, including but not limited to the grounds listed in clauses (a) to (d) of subdivision 1, the payments which are found to be delayed shall be increased by 10 percent. Withholding amounts unquestionably due because the injured employee refuses to execute a release of his right to claim further benefits will be regarded as inexcusable delay in the making of compensation payments. If any sum ordered by the department to be paid is not paid when due, and no appeal of the order is made, the sum shall bear interest at the rate of ~~12~~ 18 percent per annum. Any penalties paid pursuant to this section shall not be considered as a loss or expense item for purposes of a petition for a rate increase made pursuant to chapter 79.

Sec. 62. Minnesota Statutes 1980, Section 176.231, Subdivision 10, is amended to read:

Subd. 10. [FAILURE TO FILE REQUIRED REPORT, PENALTY.] Where an employer, physician, ~~or surgeon or health provider~~ has failed to file with the commissioner of the department of labor and industry any report required by this section in the manner and within the time limitations prescribed, he shall forfeit to the state ~~\$50~~ \$200 for each such failure.

The attorney general shall sue in a civil action to collect this penalty upon notification of the matter by the commissioner of the department of labor and industry. The commissioner of the department of labor and industry shall certify to the attorney general each failure to report immediately upon its occurrence.

Penalties collected by the state under this subdivision shall be paid into the state treasury.

Sec. 63. Minnesota Statutes 1980, Section 176.235, is amended by adding a subdivision to read:

Subd. 3. [NOTICE TO EMPLOYEE OF RIGHTS AND DUTIES.] *Upon notice that an employee has suffered a personal injury, the employer shall provide the employee with a brochure or letter, which shall be prepared and provided by the insurer or group self insurer, if any, explaining the rights and obligations of the employee and employer, the assistance available to the employee, and the operation of the workers' compensation system. The brochure shall meet the readability standards of chapter 72C.*

In addition, the brochure or letter shall include the names of persons the employee may contact if questions or problems arise regarding the employee's rights or obligations under chapter 176. This brochure or letter shall be provided to the employee within seven days after the employer becomes aware of the personal injury. Any brochure shall be approved by the commissioner of insurance prior to use. The workers' compensation advisory council shall prepare a prototype brochure. The workers' compensation insurance rating association of Minnesota may prepare and submit brochures for approval on behalf of its members.

Sec. 64. [176.236] [EMPLOYER REEMPLOYMENT RESPONSIBILITY.]

Subdivision 1. [TARGET DATE.] Each employer who employs a worker who becomes disabled due to a personal injury shall be responsible for the reemployment of that employee as required by this section. The employer shall,

as soon as possible following the personal injury, establish in conjunction with the injured employee a target date upon which the injured worker will return to work.

Subd. 2. [JOB ASSISTANCE.] *The employer shall, if possible, provide a job to the employee on or before the return to work target date which is consistent with any physical limitations of the employee. The employer shall not refuse to offer employment for any reason which is based on the employee's conduct prior to the personal injury.*

Subd. 3. [ASSISTANCE PLAN.] *If the employer is unable to provide a job, the employer shall, as soon as possible, but at least four weeks prior to the return to work target date, inform the employee that no job will be available. The employer shall also provide assistance to the employee in finding another job which is within the physical capabilities of the employee. A plan for assistance shall be filed with the commissioner at the time the employer informs the employee that no offer of employment can be made. A plan for approval filed pursuant to section 176.102 shall be sufficient.*

Subd. 4. [PENALTY.] *An employer failing to provide reemployment or to provide assistance as required in subdivision 3 shall be required to pay to the special compensation fund an amount equal to all of the benefits paid as required in section 176.101 for the first year following the date of injury. This amount shall not be reimbursed by an insurer or group self-insurer unless the failure of the employer to provide assistance results from the failure of the insurer or group self-insurer to carry out its responsibilities under its contract with the employer.*

Subd. 5. [RULES.] *The commissioner shall, by rule, establish the minimum provisions of the plan required in subdivision 3.*

Subd. 6. [LIMITATIONS.] *This section shall not create any liabilities or other requirements for the payment of benefits under chapter 176 than are specifically contained within the section.*

Sec. 65. Minnesota Statutes 1980, Section 176.241, Subdivision 4, is amended to read:

Subd. 4. [ORDER.] *When the hearing has been held, and ~~he~~ the evidence has been duly considered ~~the evidence~~, the person who held the hearing shall promptly enter an order directing the payment of further compensation or confirming the termination of compensation. Where the order confirms a termination of compensation, the commissioner of labor and industry shall notify the employer of the action. This notification relieves the employer from further liability for compensation subject to the right of review afforded by this chapter, and to the right of the division to set aside the order at any time prior to the review and grant a new hearing pursuant to this chapter. ~~Where the order directs the payment of further compensation, the order shall provide that the amount of compensation shall bear interest at the rate of 18 percent per annum computed from the date of the termination of benefits.~~*

Sec. 66. Minnesota Statutes 1981 Supplement, Section 176.331, is amended to read:

176.331 [AWARD BY DEFAULT.]

Where an adverse party has failed to file and serve an answer, if the peti-

tioner presents proof of such fact, the compensation judge shall enter whatever award or order to which petitioner is entitled on the basis of the facts alleged in the petition, but the compensation judge may require proof of an alleged fact. If the commissioner requires such proof, he shall request the chief hearing examiner to assign the matter to a compensation judge to summarily hear and determine the same and to promptly make an award or order.

Where in such a default case the petition does not state facts sufficient to support an award, the compensation judge shall give the petitioner or his attorney written notice of this deficiency. The petitioner may thereupon file another petition as in the case of an original petition.

If an award is made pursuant to this subdivision, the amount of the award shall include interest on the award at the rate of 18 percent per annum computed from the date compensation was due but not paid.

Sec. 67. Minnesota Statutes 1981 Supplement, Section 176.391, Subdivision 3, is amended to read:

Subd. 3. [REPORTS.] The report of a physician, surgeon, or other expert shall be filed with the commissioner and the compensation judge assigned to the matter if any. The report shall be made a part of the record of the case and be open to inspection ~~as such~~.

Unless otherwise ordered by a compensation judge medical expert testimony shall be offered by report only.

Sec. 68. Minnesota Statutes 1980, Section 176.641, is amended to read:

176.641 [ACCIDENTS OR INJURIES ARISING PRIOR TO EFFECTIVE DATE.]

All rights and liabilities arising on account of accidents or injuries occurring prior to the taking effect of this chapter shall be governed by the then existing law, *except that the payment of benefits pursuant to section 176.132 on and after the effective date of sections 1 to 67 shall be made according to sections 1 to 67.*

Sec. 69. Minnesota Statutes 1981 Supplement, Section 352E.04, is amended to read:

352E.04 [DISBURSEMENTS.]

Upon certification to the governor by the administrator of any state or governmental subdivision employing peace officers that a peace officer employed by that state or governmental subdivision within this state has been killed in the line of duty, leaving a spouse or one or more eligible dependents, the commissioner of finance shall, subject to the approval of the workers' compensation court of appeals, pay \$50,000 as follows:

- (a) If there is no dependent child, to the spouse;
- (b) If there is no spouse, to the dependent child or children in equal shares;
- (c) If there are both a spouse and one or more dependent children, one-half to the spouse and one-half to the child or children, in equal shares;
- (d) If there is no surviving spouse or dependent child or children, to the parent or parents dependent for support on the decedent, in equal shares;

(e) If there is no surviving spouse or dependent child, children or parent, then there shall be no payment made from the peace officers benefit fund.

The benefit provided by this section is in addition to any other benefit that a spouse or dependent child is entitled to receive under another state or federal law and notwithstanding any law to the contrary shall not be offset by or against the other benefits.

Sec. 70. [RATE REDUCTION.]

Within ten days following final enactment the commissioner of insurance shall order a hearing pursuant to section 79.071, subdivision 1a. Upon completion of this hearing the commissioner shall order a reduction in the schedule of rates of at least 16 percent due to the changes made in this bill. The change shall be effective January 1, 1983. An additional reduction of ten percent shall be applied to the schedule of rates due to the repeal of section 79.211, subdivision 1.

Any percentage reduction in the schedule of rates shall include an equal percentage reduction in the profits and expenses available to insurers.

Any pending requests for a change in the schedule of rates which are impacted by this bill shall be amended to reflect these changes prior to approval by the commissioner.

Sec. 71. [STUDY COMMISSION.]

Subdivision 1. [CREATION.] A study commission is hereby created to study and report on:

(a) the organization and operation of the department of labor and industry, workers' compensation division, including but not limited to:

(1) the procedures for handling reports of injuries, claims for compensation, notices of discontinuance petitions for hearings related to disputes in connection with claims for compensation, and other matters connected with the department's administration of the law; and

(2) the procedures followed for settlement conferences pursuant to section 176.305; and

(3) the progress and effect of the computerization of the records and information system of the division;

(b) the financial condition of the special compensation fund including any outstanding liabilities of the fund. The study shall reflect a calculation of the ultimate liability and the present value of the ultimate liability based on the following three alternate assumptions of an annual inflation rate: (1) two percent; (2) four percent; and (3) six percent. The cost of the study shall be paid from the assets of the special compensation fund;

(c) occupational disease, cumulative trauma and the apportionment of liability for benefits payable under chapter 176 when the personal injury does not arise solely out of and in the course of employment as these issues are related to workers' compensation in Minnesota; and

(d) the rehabilitation services of the workers' compensation division, including:

(1) the procedures followed with respect to the licensing, qualifications, and

background of rehabilitation consultants and rehabilitation vendors utilized in the rehabilitation of injured employees;

(2) the administrative conference and settlement conference procedures followed by the division; and

(3) the role and effectiveness of the rehabilitation review panel.

Subd. 2. [MEMBERS.] The commission shall consist of six members of the house of representatives appointed by the speaker and six members of the senate appointed by the subcommittee on committees.

Subd. 3. [REPORT.] The commission shall report its findings and recommendations to the governor and legislature not later than December 15, 1983. The report shall recommend any necessary changes in laws in order to improve the administration of the workers' compensation laws and the delivery of fair, efficient, and effective rehabilitation services to injured employees within the state.

Subd. 4. [HEARINGS.] The commission shall hold meetings and hearings at the times and places it designates to accomplish the purposes set forth in this section. It shall select a chairman and other officers from its membership as it deems necessary.

Subd. 5. [STAFF AND SERVICES.] The commission shall make use of existing legislative facilities and staff of the house and senate research departments and senate counsel but it may also request the legislative coordinating commission to supply it with additional necessary staff, office space, and administrative services. All additional personnel shall be hired and supervised by the directors of the house and senate research departments and senate counsel. The commission shall have full authority to contract for expert services and opinions relevant to the purposes of this section.

Sec. 72. Laws 1981, Chapter 346, Section 145, is amended to read:

Sec. 145. [REPEALER.] Minnesota Statutes 1980, Sections 79.071, Subdivision 1; 79.074, Subdivision 1; 79.075; 79.076; 79.08; 79.09; 79.11; 79.12; 79.13; 79.14; 79.15; 79.16; 79.17; 79.171; 79.18; 79.19; 79.20; 79.21; 79.22, Subdivision 1; 79.221; 79.23; 79.24; ~~79.25~~; 79.26; 79.27; 79.28; 79.29; 79.30; 79.32; and 79.33 are repealed effective July 1, 1983. Minnesota Statutes 1980, Sections 79.071, Subdivisions 2, 3, 4, 5, 6, and 7; 79.072; and 79.073 are repealed effective January 1, 1986. Minnesota Statutes 1980, Sections 176.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2, are repealed.

Sec. 73. [INSTRUCTIONS TO REVISOR.]

The revisor of statutes is instructed to substitute the words "weekly wage" in place of the words "daily wage" wherever the words "daily wage" appear in chapter 176 and in any other sections of Minnesota Statutes where the words "daily wage" are used in reference to workers' compensation benefits granted pursuant to chapter 176.

Sec. 74. [REPEALER.]

Minnesota Statutes 1980, Sections 79.211, Subdivision 1; 79.63, Subdivision 3; 176.011, Subdivisions 14 and 18; 176.095; 176.101, Subdivisions 4 and 5; and 176.105, Subdivisions 2 and 3; Minnesota Statutes 1981 Supple-

ment, Sections 176.102, Subdivision 1a; 176.105, Subdivision 1; and 176.152; are repealed.

Sec. 75. [EFFECTIVE DATE.]

Sections 1 to 9, 11 to 35, 38 to 47, and 49 to 69 are effective January 1, 1983. Sections 10, 37 and 70 to 74 are effective the day after final enactment. Section 48 is effective retroactive to January 1, 1982."

Delete the title and insert:

"A bill for an act relating to workers' compensation; changing benefits; requiring notices of injury; providing for rules related to excessive health care services; providing for the release of medical data; regulating supplemental benefits; providing for benefit adjustments; providing for interest on delayed benefit payments; providing for a legislative commission to study various aspects of workers' compensation; defining terms; providing for certain collective bargaining rights of public employees; providing for continuance of certain insurance coverages; providing for deductible workers' compensation insurance policies; clarifying the responsibilities of governmental licensing and contracting agencies regarding workers' compensation insurance; amending Minnesota Statutes 1980, Sections 62A.10, Subdivision 1; 62C.14, by adding a subdivision; 62D.10, by adding a subdivision; 79.25, by adding a subdivision; 147.20; 176.011, Subdivision 3, and by adding subdivisions; 176.021, Subdivision 5, and by adding a subdivision; 176.101, Subdivisions 1, 2, and by adding subdivisions; 176.102, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12, and by adding subdivisions; 176.105, by adding a subdivision; 176.111, Subdivisions 1 and 18, and by adding subdivisions; 176.121; 176.131, Subdivisions 1, 1a, and 8; 176.132, Subdivision 1; 176.135, Subdivision 1a; 176.225, Subdivision 1; 176.231, Subdivision 10; 176.235, by adding a subdivision; 176.241, Subdivision 4; 176.641; Minnesota Statutes 1981 Supplement, Sections 79.25, Subdivision 1; 79.63, Subdivisions 1, 2, and 4; 176.011, Subdivision 9; 176.021, Subdivisions 3 and 3a; 176.101, Subdivision 3; 176.111, Subdivision 21; 176.131, Subdivision 10, as amended; 176.132, Subdivision 2; 176.133; 176.136; 176.182; 176.221, Subdivisions 2, 3, and 7; 176.225, Subdivision 5; 176.331; 176.391, Subdivision 3; and 352E.04; proposing new law coded in Minnesota Statutes, Chapters 79 and 176; repealing Minnesota Statutes 1980, Sections 79.211, Subdivision 1; 79.63, Subdivision 3; 176.011, Subdivisions 14 and 18; 176.095; 176.101, Subdivisions 4 and 5; 176.105, Subdivisions 2 and 3; and Minnesota Statutes 1981 Supplement, Sections 176.102, Subdivision 1a; 176.105, Subdivision 1; and 176.152."

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. 1288: A bill for an act relating to agriculture; creating a family farm finance agency; authorizing the agency to issue bonds and to make loans for the acquisition of farm land; transferring the family farm security program to the agency; appropriating money; amending Minnesota Statutes 1980, Sections 41.51; 41.52, Subdivisions 1 and 10, and by adding subdivisions; 41.54, Subdivisions 1 and 4, and by adding a subdivision; 41.55; 41.57; 41.58, Subdivisions 1 and 3; 41.59, Subdivisions 1 and 2; and 41.60; Minnesota

Statutes 1981 Supplement, Sections 41.52, Subdivisions 5, 8, and 9; 41.54, Subdivision 2; 41.56, Subdivisions 3 and 4; and 41.58, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 41; repealing Minnesota Statutes 1980, Sections 41.53; 41.54, Subdivisions 3 and 5; and 41.56, Subdivisions 5 and 6; and Minnesota Statutes 1981 Supplement, Section 41.56, Subdivisions 1 and 2.

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

Page 2, line 25, delete "10" and insert "13"

Page 2, after line 30, insert:

"Sec. 5. Minnesota Statutes 1980, Section 41.52, Subdivision 2, is amended to read:

Subd. 2. "Applicant" means a natural person applying for a family farm ~~security~~ loan, *state loan guarantee, or interest adjustment.*"

Page 3, line 11, delete "15" and insert "18"

Page 3, line 14, delete "15" and insert "18"

Page 4, after line 3, insert:

"Sec. 11. Minnesota Statutes 1981 Supplement, Section 41.52, Subdivision 11, is amended to read:

Subd. 11. "Cooperating agency" means any individual, financial institution, state or federal agency, or any other legal entity which executes a memorandum of understanding with the family farm ~~security program~~ *finance agency.*

Sec. 12. Minnesota Statutes 1981 Supplement, Section 41.52, Subdivision 12, is amended to read:

Subd. 12. "Memorandum of understanding" means an agreement outlining conditions under which a cooperating agency will provide farm real estate loan funds not to be included under a ~~family farm~~ *state loan guarantee* to applicants."

Page 9, line 22, delete "15" and insert "18"

Page 16, line 5, strike "security"

Page 18, line 5, delete "security"

Page 21, line 28, strike "security"

Page 23, line 27, strike "security"

Page 24, line 15, strike "security"

Page 25, line 10, strike "council and the"

Page 25, line 14, delete "[41.505]" and insert "[41.547]"

Page 26, line 10, delete "15" and insert "18"

Page 26, line 12, delete "[41.528]" and insert "[41.548]"

Page 26, line 15, delete "31" and insert "34" and delete " *clauses (b)*

and" and insert "clause"

Page 27, line 16, delete "17, 18, or 20" and insert "20, 21, or 23"

Page 27, delete lines 19 to 23

Page 27, line 24, delete "occurs first."

Page 28, line 2, delete "31" and insert "34"

Page 28, line 3, delete "clauses (b) and" and insert " clause"

Page 28, line 5, delete "32" and insert "35"

Page 28, line 6, delete "36" and insert "39"

Page 28, line 8, delete "31" and insert "34"

Page 28, line 9, delete "clauses (b) and" and insert " clause"

Page 28, line 20, after "Sections" insert "41.52, Subdivision 3;"

Renumber the sections in sequence

Amend the title as follows:

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

Page 1, line 13, delete "and 9" and insert "9, 11 and 12"

Page 1, line 16, after "Sections" insert "41.52, Subdivision 3;"

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

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

H.F. No. 1941 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.
1941	1826				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1941 be amended as follows:

Page 1, line 16, delete everything after the period

Page 1, delete line 17

Page 1, line 20, delete everything after "decision"

Page 1, line 21, delete "findings of fact and" and insert " based upon the available evidence which shall include specification of the facts upon which the decision is based and the"

Page 1, line 22, delete "and order"

Page 1, delete lines 24 to 26 and insert:

"A decision denying compensation claimed under this section is not subject to the contested case review procedures of chapter 15 but may be reviewed upon a trial de novo in the county court in the county where the loss occurred. The decision of the county court may be appealed to the district court and supreme court in the same manner as any civil action is appealed. Review in the county court may be obtained by the filing of a petition for review with the clerk

of the county court within 60 days following receipt of a decision under this section. Upon the filing of a petition, the clerk of the county court shall mail a copy thereof to the commissioner and set a time for hearing which shall be held within 90 days of the filing of the petition."

Page 2, delete line 1

And when so amended H.F. No. 1941 will be identical to S.F. No. 1826, and further recommends that H.F. No. 1941 be given its second reading and substituted for S.F. No. 1826, 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. 1572 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.
1572	1504				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1572 be amended as follows:

Page 5, line 2, delete "*the patient*" and insert "*her*"

Page 5, line 6, delete "*effective*"

Page 5 line 7, before the period insert "*that is effective*"

And when so amended H.F. No. 1572 will be identical to S.F. No. 1504, and further recommends that H.F. No. 1572 be given its second reading and substituted for S.F. No. 1504, 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 were referred

H.F. Nos. 1852 and 2170 for comparison with companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their second reading and substituted for their companion Senate Files 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.
1852	1900				
2170	2090				

and that the above Senate Files 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. 2216, 2117, 2033, 1515, 2150, 2081, 1813, 1650, 1915, 1365, 1839, 1712, 1847, 1897, 1450 and 1288 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 2066, 546, 1278, 917, 1915, 1819, 1743, 1799, 438, 1220, 1941, 1572, 1852 and 2170 were read the second time.

MOTIONS AND RESOLUTIONS

Mrs. Lantry moved that H.F. No. 1939 be withdrawn from the Committee on Rules and Administration and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 1633, The motion prevailed.

RECONSIDERATION

Mr. Tennesen moved that the vote whereby S.F. No. 1865 was passed by the Senate on March 6, 1982, be now reconsidered. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Solon moved that H.F. No. 1994 be withdrawn from the Committee on Employment and re-referred to the Committee on Commerce. The motion prevailed.

RECESS

Mr. Hanson moved that the Senate do now recess until 1:00 p.m. The motion prevailed.

The hour of 1:00 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

Mr. Ashbach imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Remaining on the Order of Business of Motions and Resolutions, Mr. Hanson 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. Pehler in the chair.

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

S.F. Nos. 198, 1723 and H.F. No. 1701, which the committee recommends to pass.

S.F. No. 2010, which the committee recommends be returned to the Committee on Agriculture and Natural Resources.

S.F. No. 1902, which the committee recommends be returned to the Committee on Local Government and Urban Affairs.

S.F. No. 1937, which the committee recommends be returned to the Committee on Local Government and Urban Affairs.

H.F. No. 1902, which the committee recommends to pass with the following amendments offered by Mrs. Lantry, Messrs. Ashbach and Peterson, R.W.:

Mrs. Lantry moved to amend H.F. No. 1902 as follows:

Page 3, after line 3, insert:

"Sec. 3. Laws 1974, Chapter 435, Section 3.151, as amended by Laws 1976, Chapter 7, Section 1, is amended to read:

Sec. 3.151. [RAMSEY COUNTY; COUNTY SURVEYOR; APPROVAL OF PLAT.]

Subdivision 1. [APPOINTMENT.] The Ramsey county board of county commissioners shall appoint a county surveyor.

Subd. 2. [DUTIES.] In addition to the county surveyor's duties provided by general law, he shall approve each tentative plat, subdivision plat ~~and~~, registered land survey *and condominium floor plan* before recording.

Subd. 3. [FEES.] The board of county commissioners shall establish the fees, to be paid by the proprietor of a plat or survey *or the declarant who executed a condominium declaration*, for the approval of the plat ~~or~~, survey *or floor plan* by the county surveyor.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 488A.34, Subdivision 2, is amended to read:

Subd. 2. [PROCEDURE FOR REMOVAL OF CAUSE.] No cause shall be so removed unless all the following acts are performed by the aggrieved party within 20 days after the date the administrator mailed to him notice of the order for judgment:

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

(b) File with the administrator of conciliation court the original demand for removal and proof of service thereof. If the opposing party or his attorney cannot be found and service of the demand be made within the 20 day period, the aggrieved party may file with the administrator within the 20 day period the original and a copy of the demand, together with an affidavit by himself or his attorney showing that due and diligent search has been made and that the opposing party or his attorney cannot be found and the filing of this affidavit shall serve in lieu of making service and filing proof of service. When such an

affidavit is filed, the administrator shall mail the copy of the demand to the opposing party at his last known address.

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

(d) Pay to the administrator of conciliation court the fee set by the board of Ramsey County commissioners when the demand is for trial by court, ~~plus \$6 additional~~ and the fee as set by the Ramsey County commissioners when the demand is for trial by a jury of six. The above fee is not payable by the county.

Sec. 5. [RAMSEY COUNTY MEDICAL FACILITY WATER SYSTEM.]

Subdivision 1. Ramsey County may issue and sell from time to time general obligation bonds of the county in an aggregate principal amount not to exceed \$5,000,000 to finance the construction, installation, modification or improvement of heating, cooling and domestic hot water systems serving buildings owned in whole or part, operated or maintained by the county or the Ramsey County medical center commission. The county shall pledge its full faith and credit and taxing powers for the payment of the bonds. Except as provided in this section, the bonds shall be issued in accordance with Minnesota Statutes, Chapter 475. The bonds may be issued and sold without submitting the question of the issuance of the bonds to a vote by the people. The bonds shall be in a form and bear interest at the rate that the county prescribes and shall be sold by the county to the bidder with the most favorable bid, after notice of the time and place for the receiving of the bids has been published according to law. The bonds shall not be included in computing the net debt of the county under any law, and the taxes required for payment of the bonds and interest on them shall not be subject to any limitation provided by other law.

Subd. 2. In substitution of, but not in addition to, powers granted to Ramsey County in subdivision 1, Ramsey County may levy and collect a tax, not to exceed the lesser of \$5,000,000 or two mills, upon all taxable property in Ramsey County to finance the construction, installation, modification or improvement of heating, cooling and domestic hot water systems serving buildings owned in whole or part, operated or maintained by the county or Ramsey County medical center commission. A levy made pursuant to this subdivision shall not be subject to any limitation provided by other law."

Page 3, line 5, delete "This act is" and insert "Sections 1, 2, 3, and 5 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, before the period, insert "; providing for certain duties of the county surveyor; establishing certain fees; providing for the removal of a cause of action from conciliation court to municipal court; allowing the county to issue and sell certain bonds for certain hot water systems; allowing the county to levy and collect a tax upon all taxable property in the county for the purpose of financing certain hot water systems; amending Minnesota Statutes 1981 Supplement, Section 488A.34, Subdivision 2; and Laws 1974, Chapter 435, Section 3.151, as amended"

Mr. Ashbach moved to amend the Lantry amendment to H.F. No. 1902 as follows:

Page 3 of the amendment, after line 15, insert:

"Subd. 3. The bonds described in subdivision 1 may not be issued and the tax described in subdivision 2 may not be levied until construction is commenced on a district heating system in St. Paul which is designed for heating or cooling or domestic hot water service to one or more buildings owned in whole or part, operated or maintained by the county or the Ramsey County Medical Center Commission."

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

Mrs. Lantry moved to amend the Lantry amendment to H.F. No. 1902 as follows:

Page 1, delete section 3

Page 3, line 17, delete "3,"

Renumber the sections in sequence

Amend the title amendment as follows:

Page 3, line 28, delete everything after "2"

Page 3, delete line 29

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

The question recurred on the Lantry amendment, as amended.

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

Mr. Peterson, R.W. moved to amend H.F. No. 1902 as follows:

Page 1, line 13, delete everything after the comma

Page 1, delete line 14

Page 1, line 15, delete everything before "and"

The motion prevailed. So the amendment was adopted.

S.F. No. 2051, which the committee recommends to pass with the following amendment offered by Mr. Wegener:

Page 1, line 22, before the semicolon insert *"and the phrase 'producing products of agriculture' does not include acquiring agricultural land"*

Page 3, delete lines 11 to 14 and insert:

"'Farm business' means a business entity engaged in farming, agricultural production or processing, or storage of agricultural products, which otherwise qualifies as a small business."

Sec. 3. Minnesota Statutes 1981 Supplement, Section 362.50, Subdivision 9, is amended to read:

Subd. 9. "Business loan" means a loan, other than a pollution control loan, to the owner of a small business for the interim or long term financing of capital expenditures for the acquisition or improvement of land, acquisition, construction, removal or improvement of buildings, or acquisition and installation

of fixtures and equipment useful for the conduct of the business. "*Farm loan*" means a loan to a farm business for the acquisition, installation, improvement, construction or removal of buildings, or acquisition and installation of fixtures or equipment, useful for the conduct of a farm business.

Sec. 4. Minnesota Statutes 1980, Section 362.52, Subdivision 3, is amended to read:

Subd. 3. The agency may make business loans or farm loans not exceeding \$100,000 in principal amount, provided that each such loan shall be made only from the proceeds of a bond or note sold and issued to a financial institution, payable exclusively from the repayments of principal and interest on the loan, which shall be assigned to and serviced by the financial institution."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "changing"

Page 1, delete line 4

Page 1, line 5, delete "purpose of" and insert "providing for"

Page 1, line 5, before the semicolon insert "to a farm business"

Page 1, line 6, delete "Section" and insert "Sections 362.52, Subdivision 3;"

Page 1, line 8, delete "Subdivision" and insert "Subdivisions"

Page 1, line 8, before the period insert "and 9"

The motion prevailed. So the amendment was adopted.

H.F. No. 1625, which the committee recommends to pass, after the following motions:

Mr. Moe, D.M. moved to amend H.F. No. 1625 as follows:

Pages 1 and 2, delete section 2

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "Subdivisions" and insert "Subdivision" and delete "and 1a"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 30, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Kamrath	Olhoft	Taylor
Benson	Dieterich	Knoll	Peterson, R. W.	Tennessen
Berg	Frank	Kronebusch	Petty	Waldorf
Bernhagen	Frederick	Menning	Ramstad	
Brataas	Frederickson	Merriam	Rennecke	
Dahl	Hanson	Moe, D. M.	Rued	

Those who voted in the negative were:

Berglin	Johnson	Pehler	Setzepfandt	Stokowski
Bertram	Kroening	Penny	Sieloff	Stumpf
Chmielewski	Lantry	Peterson, C. C.	Sikorski	Ulland
Davis	Lessard	Peterson, D. L.	Solon	Vega
Dicklich	Lindgren	Purfeerst	Spear	Wegener
Hughes	Luther	Schmitz	Stern	Willer

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

Ms. Berglin moved to amend H.F. No. 1625 as follows:

Page 1, lines 26 and 27, reinstate the stricken language

Page 2, line 1, reinstate the stricken language and after "service" insert "*and who retires prior to July 1, 1982, or who retires subsequent to June 30, 1985, or any person*"

Page 2, line 2, strike "is" and insert "*and who retires subsequent to June 30, 1982, but prior to July 1, 1985, shall be*"

Page 2, delete section 4

Re number the sections in sequence

Amend the title as follows:

Page 1, line 6, delete ";; repealing" and insert a period

Page 1, delete lines 7 and 8

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 6 and nays 53, as follows:

Those who voted in the affirmative were:

Berglin	Merriam	Moe, D. M.	Petty	Spear
Dieterich				

Those who voted in the negative were:

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

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

The question was taken on the recommendation to pass H.F. No. 1625.

The roll was called, and there were yeas 37 and nays 19, as follows:

Those who voted in the affirmative were:

Belanger	Frank	Lindgren	Purfeerst	Stokowski
Benson	Hanson	Luther	Ramstad	Stumpf
Bertram	Hughes	Menning	Schmitz	Ulland
Chmielewski	Johnson	Moe, R. D.	Setzepfandt	Vega
Dahl	Knoll	Pehler	Sieloff	Willet
Davis	Kroening	Penny	Solon	
Dicklich	Lantry	Peterson, C. C.	Spear	
Engler	Lessard	Peterson, D. L.	Stern	

Those who voted in the negative were:

Berg	Dieterich	Kronebusch	Peterson, R. W.	Taylor
Bernhagen	Frederick	Merriam	Petty	Tennessee
Brataas	Frederickson	Moe, D. M.	Renneke	Waldorf
Davies	Kamrath	Olhoft	Rued	

The motion prevailed. So H.F. No. 1625 was recommended to pass.

S.F. No. 1948, which the committee recommends to pass with the following amendment offered by Mr. Luther:

Page 1, line 9, before "*In*" insert "*Subdivision 1.*" and delete "*furtherance of*" and insert "*interpreting*"

Page 1, line 10, after "398," insert "*and notwithstanding any other law to the contrary,*"

Page 1, line 11, after "*may*" insert "*not*"

Page 1, line 13, delete "*dams*" and insert "*any dam*" and delete "*or controlled*"

Page 1, line 14, delete everything after the period

Page 1, line 15, delete everything before "*In*" and insert:

"*Subd. 2.*"

Page 1, line 18, delete "*foregoing*" and after "*authority*" insert "*prohibited by section 1, subdivision 1,*"

Page 1, line 21, delete "*include*" and insert "*be limited to*"

Page 1, line 21, after "*in*" insert "*this*" and after "*section*" insert "*and in sections 2 and*"

Page 1, line 23, after the period, insert "*The agreement shall provide that it shall be amended from time to time in order to interpret and apply these principles, by consent of the parties; or if agreement is not reached, pursuant to section 3, subdivision 4.*"

Page 3, line 4, after "*determined*" insert "*after the feasibility study has been completed and*"

Page 3, line 6, after "*domain*" insert "*, and the value of the property contributed shall be computed as if its highest and best use is for the production of hydroelectric power*"

Page 3, line 21, before "*This*" insert "*Section 1, subdivision 1, of this act shall be effective the day after final enactment. The remaining provisions of*"

Page 3, line 21, delete "*is*" and insert "*shall be*"

Page 3, line 26, delete "*3 and*" and insert "*1*"

Page 3, line 27, delete everything before "*before*"

Page 3, line 28, delete "*August*" and insert "*May*"

Page 3, line 28, after "*conditions*" insert "*, except for section 1, subdivision 1,*"

The motion prevailed. So the amendment was adopted.

H.F. No. 1697, which the committee recommends to pass with the following amendment offered by Mr. Dicklich:

Amend H.F. No. 1697, as amended pursuant to Rule 49, adopted by the Senate March 4, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1628.)

Page 4, line 30, delete "*from amending, modifying or revoking*" and insert "*to amend, modify, or revoke*"

Page 4, line 31, delete "*substituting*" and insert "*substitute*"

The motion prevailed. So the amendment was adopted.

H.F. No. 2098, which the committee recommends to pass, subject to the following motion:

Mr. Penny moved that the amendment made to H.F. No. 2098 by the Committee on Rules and Administration in the report adopted March 4, 1982, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

S.F. No. 1965, which the committee recommends progress subject to the following motions:

Mr. Merriam moved to amend S.F. No. 1965 as follows:

Page 4, line 9, delete "*Before*" and insert "*In*"

Page 4, line 9, after "*approving*" insert "*or disapproving*"

Page 4, line 9, after "*shall*" insert "*only*"

Page 4, lines 9, 11, and 12, delete "*that*" and insert "*whether*"

Page 5, line 6, after the semicolon insert "*financial responsibility after closure;*"

Page 10, delete section 12

Page 11, line 7, delete "*under section 3 of this act*" and insert "*. The review shall be based on whether the plans conform to the requirements of this section. The board may require revision of a plan as a condition of its approval.*"

Pages 13 and 14, delete sections 15 and 16

Page 16, line 24, delete "*sections 3*"

Page 16, line 25, delete "*of this act and*" and insert "*section*"

Page 17, line 32, after the period, insert "*After the report of the waste management board required by section 4 has been submitted to the legislature, the agency shall review its rules for hazardous waste facilities and shall consider whether any of the rules should be modified or if new rules should be adopted based on the recommendations in the report.*"

Page 20, line 14, delete "*sections 3 of this act and*" and insert "*section*"

Page 30, line 1, delete "*20 to 27*" and insert "*25 to 35*"

Renumber the sections in sequence

Correct the cross references

Amend the title as follows:

Page 1, line 18, delete everything before "*115A.42*"

Page 1, line 19, delete everything before "*115A.62*"

The motion prevailed. So the amendment was adopted.

Mr. Bertram moved to amend S. F. No. 1965 as follows:

Page 6, line 5, delete “. In preparing”

Page 6, delete lines 6 and 7 and insert “and to preserve agricultural land to the extent prudent and feasible by minimizing the use of agricultural land for waste management sites.”

Page 9, line 6, after the period, insert:

“Before issuing a certificate of need the board shall determine whether development of the facilities described in the certificate will require the acquisition of ten or more acres of land currently in agricultural use or the conversion of such land to a non-agricultural use. If the board determines that ten or more acres of agricultural land will be so affected, the board shall notify the commissioner of agriculture of its proposal to issue the certificate of need and shall examine any alternatives which would reduce any adverse effect of the proposal on agricultural land. Within 30 days of receiving notification from the board, the commissioner of agriculture shall review the effect of the proposed certificate of need on agricultural land and either recommend that the board issue the certificate of need as proposed or recommend an alternative for modifying the certificate of need in a manner which is consistent with the waste management plan adopted under section 115A.11 and which will reduce any adverse effect on agricultural land. If the commissioner of agriculture makes no recommendation within the 30 day period, it shall be deemed a recommendation to issue the certificate of need as proposed by the board.”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 22 and nays 26, as follows:

Those who voted in the affirmative were:

Benson	Frederick	Langseth	Pehler	Schmitz
Bernhagen	Frederickson	Lantry	Penny	Setzepfandt
Bertram	Hughes	Menning	Peterson, D.L.	
Davis	Kamrath	Nelson	Purfeerst	
Engler	Kronebusch	Olhoft	Renneke	

Those who voted in the negative were:

Belanger	Frank	Merriam	Sikorski	Waldorf
Chmielewski	Johnson	Peterson, R.W.	Spear	Willet
Dahl	Knoll	Petty	Stern	
Davies	Kroening	Ramstad	Stokowski	
Dicklich	Lessard	Rued	Tennessen	
Dieterich	Luther	Sieloff	Vega	

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

Mr. Engler moved to amend S.F. No. 1965 as follows:

Page 23, after line 36, insert:

“Sec. 28. Minnesota Statutes 1981 Supplement, Section 473.803, Subdivision 1a, is amended to read:

Subd. 1a. [PROPOSED INVENTORY OF DISPOSAL SITES.] By October 15, 1981, each county shall adopt, by resolution of its governing body, an inventory of four proposed sites in the county suitable for mixed municipal solid waste disposal facilities and one proposed site in the county suitable for

the disposal of demolition debris and shall submit the inventory to the council for approval or disapproval. The council shall evaluate and approve or disapprove each proposed site in accordance with the standards set out in this subdivision. Except as otherwise provided in this subdivision, each site shall satisfy the standards and criteria in federal and state regulations and the council's policy plan for solid waste management. In proposing and approving sites for the inventory, the counties and the council shall prefer land which is capable of being returned to its existing use or the use anticipated in a plan of a metropolitan agency, county, or local unit of government use after closure of a disposal facility. Each site shall contain no less than 80 acres and no more than 250 acres. Each proposed site shall be surrounded by a buffer area at least equal to the area of the site. No site shall be adopted by a county or the council as part of an inventory unless the agency certifies its intrinsic suitability for the use intended, based on preliminary environmental analysis and on site surveys and investigations conducted by the county. Notwithstanding any plan, charter provision, law, ordinance, regulation, or other requirement of any state agency or political subdivision, no land shall be excluded from consideration for inclusion in the inventory except land determined by the agency to be intrinsically unsuitable. Each county shall provide to the agency data relating to the intrinsic suitability of the sites to be proposed for the inventory as soon as available but no later than June 15, 1981. By July 1, 1981 each county shall propose at least the number of sites required for the inventory, and the director of the agency shall issue a notice indicating which of those sites the director recommends be certified as intrinsically suitable. Notice of hearings on the director's recommendation shall be published in the state register and newspapers of general circulation in the metropolitan area and shall be sent by mail to the metropolitan council and local government units containing a proposed inventory site. A hearing shall be held in each metropolitan county and shall be conducted by the state office of administrative hearings in a manner consistent with the completion of the proceedings and the hearing examiner's report to the agency in the time allowed by this section. The hearing shall afford all interested persons an opportunity to testify and present evidence on the subject of the hearing. The subject of the hearing shall be limited to information submitted by the county and additional information on the proposed sites which is relevant to the agency's decision on intrinsic suitability. The rulemaking and contested case procedures of chapter 15 shall not apply to this hearing. The report of the hearing examiner shall contain findings of fact, conclusions, and recommendations on the subject of the hearing. The agency shall make a final determination as to the intrinsic suitability of each proposed site and shall certify them accordingly by October 1, 1981. The agency shall not be required to promulgate rules pursuant to chapter 15 on criteria and standards to govern its certification of intrinsic suitability under this section. No action of the agency shall be held invalid by reason of the agency's failure to notify any of the entities listed in this subdivision. The council shall evaluate each site with respect to local land use and land use controls, the protection of agriculture and natural resources, existing and future development patterns, transportation facilities and other services and facilities appropriate to land disposal facilities, the quality of other potential sites, and patterns of generation of solid waste. The council shall notify a county of any site proposed by the county which the council disapproves and shall allow the county 60 days to propose an alternative site. If the county fails to propose an alternative acceptable to the council in the time allowed, the council shall propose a site acceptable to it for inclusion in the inventory of sites in that county. If in the council's judgment a county does not contain the requisite number of satisfactory sites, the council may reduce the number of sites required of that county. In order to permit the

comparative evaluation of sites and the participation of affected localities in decisions about the use of sites, a moratorium is hereby imposed as provided in this subdivision on development within the area of each site and buffer area proposed by a county, pending the council's adoption of an inventory pursuant to section 473.149, subdivision 2b. For sites and buffer areas included in the council's inventory, the moratorium shall extend until October 1, 1983, *except that the council may at any time, with the approval of the county in which the site is located, abrogate the application of the moratorium to a specific site or sites or buffer areas.* No development shall be allowed to occur within the area of a site or buffer area during the period of the moratorium without the approval of the council. No county, city, or town land use control shall permit development which has not been approved by the council, nor shall any county, city, or town sanction or approve any subdivision, permit, license, or other authorization which would allow development to occur which has not been approved by the council. The council shall not approve actions which would jeopardize the availability of a site for use as a solid waste facility. The council may establish guidelines for reviewing requests for approval under this subdivision. Requests for approval shall be submitted in writing to the chairman of the council and shall be deemed to be approved by the council unless the chairman otherwise notifies the submitter in writing within 15 days."

Renumber the sections in sequence

Page 30, line 1, delete "27" and insert "28"

Amend the title as follows:

Page 1, line 15, after the semicolon, insert "allowing the removal of the moratorium on development at certain sites;"

Page 1, line 29, after the semicolon, insert "473.803, Subdivision 1a;"

Correct internal references

The motion prevailed. So the amendment was adopted.

Mr. Schmitz moved to amend S.F. No. 1965 as follows:

Page 21, after line 36, insert:

"Sec. 26. Minnesota Statutes 1980, Section 473.153, is amended by adding a subdivision to read:

Subd. 6a. [SUSPENSION OF SITING DURING STUDY.] Commencing on the effective date of this subdivision, there is imposed a suspension until December 31, 1982 on the site evaluation and selection procedure required by subdivisions 1 to 6. During the period of suspension the council shall evaluate:

(a) methods of reducing to the greatest feasible and prudent extent the introduction of hazardous materials in sewage flows; and

(b) uses for the commission's waste which will reduce to the greatest feasible and prudent extent the need for commission disposal facilities.

Sec. 27. Minnesota Statutes 1980, Section 473.153, is amended by adding a subdivision to read:

Subd. 6b. [CERTIFICATION OF NEED.] No new facility for disposing of sludge, ash, and other waste generated by the commission shall be permitted in

the metropolitan area without a certification of need issued by the council indicating the council's determination:

(a) *that the disposal of waste with concentrations of hazardous materials is necessary; and*

(b) *that the additional disposal capacity planned for the facility is needed.*

The council shall certify need only to the extent that there are no feasible and prudent methods of reducing the concentrations of hazardous materials in the waste and no feasible and prudent alternatives to the disposal facility which would minimize adverse impact upon natural resources. Methods and alternatives that are speculative or conjectural shall not be deemed to be feasible and prudent. Economic considerations alone shall not justify the certification of need or the rejection of methods or alternatives."

Page 30, line 1, delete "27" and insert "29"

Correct internal references

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 22, after "1," insert "473.153, by adding subdivisions,"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 24, as follows:

Those who voted in the affirmative were:

Belanger	Frederick	Lessard	Ramstad	Solon
Benson	Frederickson	Menning	Renneke	Taylor
Bernhagen	Kamrath	Olhoft	Rued	Wegener
Bertram	Kronebusch	Penny	Schmitz	
Davis	Langseth	Peterson, D.L.	Setzepfandt	
Engler	Lantry	Purfeerst	Sieloff	

Those who voted in the negative were:

Chmielewski	Frank	Luther	Peterson, R. W.	Tennessen
Dahl	Hughes	Merriam	Petty	Vega
Davies	Johnson	Moe, R. D.	Pillsbury	Waldorf
Dicklich	Knoll	Pehler	Spear	Willet
Dieterich	Kroening	Peterson, C. C.	Stokowski	

The motion prevailed. So the amendment was adopted.

S.F. No. 1965 was then progressed.

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

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

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1555:

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.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

McEachern; Anderson, B.; Tomlinson; Jennings and Levi have been appointed as such committee on the part of the House.

House File No. 1555 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 8, 1982

Mr. Dieterich moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1555, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 7:30 p.m. The motion prevailed.

The hour of 7:30 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

Mr. Willet imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

MEMBERS EXCUSED

Mr. Knutson was excused from this evening's Session. Mr. Belanger was excused from this evening's Session at 8:15 p.m. Mr. Lessard was excused from this evening's Session from 8:20 to 8:50 p.m.

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

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 1891. The motion prevailed.

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

S.F. No. 1657: A bill for an act relating to taxation; providing energy credits for property providing a certain thermal integrity factor; extending the effective date for the credit; amending Minnesota Statutes 1981 Supplement, Section 290.06, Subdivision 14.

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

Page 1, line 14, reinstate the stricken language and delete the new language

Page 2, line 29, reinstate the stricken "and"

Page 3, line 19, reinstate the stricken language and delete the new language

Page 3, delete lines 20 to 36

Page 4, delete lines 1 to 4

Amend the title as follows:

Page 1, line 2, delete "providing energy credits for"

Page 1, delete line 3

Page 1, line 4, after the second "the" insert "energy"

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. 1793: A bill for an act relating to counties; authorizing the establishment of subordinate service districts in order to provide and finance governmental services; amending Minnesota Statutes 1980, Section 275.50, by adding a subdivision; proposing new law coded as Minnesota Statutes, Chapter 375B.

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

Page 1, line 26, after "state" insert "*except a metropolitan county defined in section 473.121, subdivision 4*"

Page 2, line 3, delete "shall" and insert "may"

Page 2, line 8, after the second "county" insert "*except a metropolitan county defined in section 473.121, subdivision 4*"

Page 2, line 18, delete "five" and insert "ten"

Page 3, line 5, after "newspaper" insert "*or, if the official newspaper is not generally circulated within the area of the proposed district, in a newspaper that is of general circulation in that area*"

Page 4, line 18, after "charge" insert "*related to the service used*"

Page 4, line 21, delete "shall" and insert "may"

Page 5, line 18, after "newspaper" insert "*or, if the official newspaper is not generally circulated within the area of the proposed district, in a newspaper that is of general circulation in that area*"

Page 5, line 24, after "county" insert "*except a metropolitan county defined in section 473.121, subdivision 4*"

Page 5, line 31, delete "A" and insert "*The initial*"

Page 5, line 35, after the period, insert "*Subsequent increases in the initial tax or service charge, or additional taxes or service charges imposed at a time later than the adoption of the initial tax or service charge, shall be subject to levy limitations.*"

Page 5, after line 35, insert:

"Sec. 14.

No subordinate service district may be established pursuant to sections 1 to 13 after June 30, 1986.

Sec. 15. Laws 1981, Chapter 291, Section 2, Subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] A ~~waste water treatment sanitary sewer board~~ called the North Koochiching ~~county waste water treatment sanitary sewer board~~ with jurisdiction in the ~~International Falls, South International Falls and Ranier municipalities and the East Koochiching county sewer district and the Papermakers sewer district~~ North Koochiching area sanitary district is established as a public corporation and political subdivision with all the rights, powers, privileges, immunities and duties which may be granted to or imposed upon a municipal corporation.

Sec. 16. Laws 1981, Chapter 291, Section 2, is amended by adding a subdivision to read:

Subd. 1a. [DISTRICT.] The North Koochiching area sanitary district is the International Falls, South International Falls and Ranier municipalities and the East Koochiching county sewer district and the Papermakers sewer district, except that if the conditions in subdivision 10 are not met, after December 31, 1985, the North Koochiching area sanitary district shall then be the area served by the district disposal system on that date.

Sec. 17. Laws 1981, Chapter 291, Section 2, Subdivision 2, is amended to read:

Subd 2. [MEMBERS AND SELECTIONS.] The board members shall be appointed by each of their governmental units in the following numbers:

International Falls 4

South International Falls 2

East Koochiching county sewer district 1

Papermakers sewer district 1

Ranier 1

The East Koochiching and Papermakers sewer districts shall each appoint their member on the board and designate the term of the member in accordance with subdivision 5, by a majority vote. *If the conditions in subdivision 10 are not met, after December 31, 1985, the composition of the board shall be changed, with each local government unit remaining in the district appointing one board member.*

Sec. 18. Laws 1981, Chapter 291, Section 2, is amended by adding a subdivision to read:

Subd. 10. [CONDITIONS; APPOINTMENT OF ENGINEER; BOARD COMPOSITION.] If before January 1, 1986, the state or federal governments have not offered grants for at least 70 percent of the estimated grant eligible cost, or the board has not advertised for bids for construction, of all interceptors and treatment works which the comprehensive plan adopted pursuant to section 4 identifies as critical to the integrity of the district, then:

(a) The board shall appoint an independent consulting engineer who shall determine the actual value, as of January 1, 1982, of all real and personal property transferred to the board pursuant to section 5, subdivision 2, clause (a). If any local government unit challenges the determination, the dispute shall be resolved by arbitration following the procedures of the American Arbitration Association.

(b) After appointing the independent consulting engineer, the composition of the board shall be changed to comply with subdivision 2.

Sec. 19. Laws 1981, Chapter 291, Section 4, Subdivision 1, is amended to read:

Subdivision 1. [BOARD PLAN AND PROGRAM.] The board shall adopt as its first comprehensive plan for the collection, treatment and disposal of waste water in the district for the period the board deems proper the com-

prehensive plan adopted by the joint powers board previously established for the cities of International Falls, South International Falls, and Ranier and the county of Koochiching by agreement pursuant to Minnesota Statutes, Section 471.59. The board shall prepare and adopt subsequent comprehensive plans for the collection, treatment and disposal of waste water in the district for each succeeding designated period the board deems proper. The first plan, as modified by the board, and any subsequent plan, *shall provide that no treatment facilities shall be constructed which would allow a discharge above the water intake of Boise Cascade Corporation used to supply drinking water to residents of the district, and shall take into account the preservation and best and most economic use of water and other natural resources in the area; the preservation, uses and potential for use of lands adjoining waters of the state to be used for the disposal of waste water; and the impact the disposal system will have on present and future land use in the area affected. Plans shall include the general location of needed interceptors and treatment works, a description of the area that is to be served by the various interceptors and treatment works, a long range capital improvements program and other details the board deems appropriate. Plans shall specifically identify those interceptors and treatment works which are critical to the integrity of the district.* In developing the plans, the board shall consult with persons designated for the purpose by the governing body of any municipal and public corporation or governmental or political subdivision or agency within the district. It shall consider the data, resources, and suggestions offered to the board by the entities and any planning agency acting on behalf of one or more of them. Each plan, when adopted, shall be followed in the district and may be revised as often as the board deems necessary.

Sec. 20. Laws 1981, Chapter 291, Section 5, Subdivision 2, is amended to read:

Subd. 2. [METHOD OF ACQUISITION.] (a) The board may require any local government unit to transfer to the board, *without consideration, free and clear of all encumbrances, subject only to a contingent liability pursuant to section 8, subdivision 1a,* all of the unit's right, title, and interest in any interceptors or treatment works and their necessary appurtenances owned by the unit which are needed for the purpose stated in subdivision 1. Appropriate instruments of conveyance for all the transferred property shall be executed and delivered to the board by the proper officers of each local government unit concerned.

(b) All persons regularly employed by a local government unit to operate and maintain works transferred to the board on the date on which the transfer becomes effective shall be employees of the board, in the same manner and with the same options and rights as other employees of the board.

Sec. 21. Laws 1981, Chapter 291, Section 7, is amended to read:

Sec. 7. [BUDGET.]

The board shall prepare and adopt a budget, on or before ~~September 1, 1981~~ *August 1, 1982*, and annually thereafter. The budget shall show for the following calendar year or other fiscal year determined by the board estimated receipts of money from all sources including but not limited to payments by each local government unit, federal or state grants, taxes on property, and funds on hand at the beginning of the year, and estimated expenditures for:

- (a) Costs of operation, administration and maintenance of the district disposal system;
- (b) Costs of acquisition and betterment of the district disposal system; and
- (c) Debt service, including principal and interest, on general obligation bonds and certificates issued pursuant to section 12, and any money judgments against the district.

Expenditures within these categories and others the board may determine, shall be itemized in the detail the board shall prescribe. The board and its officers, agents, and employees shall not spend money for any purpose other than debt service without having set forth the expense and its amount in the budget. No obligation to make an unbudgeted expenditure shall be enforceable except as the obligation of the person incurring it. The board may amend the budget at any time by transferring from one purpose to another any budgeted sums, except money for debt service and bond proceeds, or by increasing expenditures in any amount by which cash receipts during the budget year actually exceed the total amounts designated in the original budget. The creation of an obligation pursuant to section 12 or the receipt of a federal or state grant is a sufficient budget designation of the proceeds for the purpose for which it is authorized, and of the tax or other revenue pledged to pay the obligation, whether or not specifically included in the budget.

Sec. 22. Laws 1981, Chapter 291, Section 8, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITION OF CURRENT COSTS.] The estimated cost of administration, operation, maintenance and debt service of the district disposal system to be paid by the board in a fiscal year and the estimated costs of acquisition and betterment of the system which are to be paid during the year from funds other than state or federal grants and bond proceeds and all other previously unallocated payments made by the board pursuant to this act to be allocated in the year, less any costs to be allocated to industries pursuant to subdivision 3 and less any amounts to be received pursuant to subdivision 1a, are referred to as current costs and shall be allocated by the board to the local government units in the budget for such year.

Sec. 23. Laws 1981, Chapter 291, Section 8, is amended by adding a subdivision to read:

Subd. 1a. [PAYMENT OF DIFFERENCE.] If the area of the district and the composition of the board change pursuant to section 2, after December 31, 1985, any local government unit remaining in the district shall pay in equal payments over 20 years, with interest at the rate of eight percent per annum, the proportionate difference in the value determined pursuant to section 2, subdivision 10, clause (a).

Sec. 24. Laws 1981, Chapter 291, Section 8, Subdivision 2, is amended to read:

Subd. 2. [METHOD OF ALLOCATION OF CURRENT COSTS.] All current costs shall be allocated to local government units in the district on a pro rata basis determined by the effluent contributed by each, less any industrial wastes for which costs have been allocated under subdivision 3, calculated on the basis of flow measurement. The projected pro rata contribution of effluent

shall be made on or before ~~September 1, 1981~~ August 1, 1982 and annually thereafter. An adjustment shall be made on or before February 1 of each succeeding year based upon the actual effluent contributed by each government entity. The adjustments shall be paid to the district or to the proper local government units. It also may be corrected by deduction from or addition to subsequent payments. The adoption or revision of a method of allocation used by the board shall be by the affirmative vote of at least two-thirds of the members of the board.

Sec. 25. Laws 1981, Chapter 291, Section 24, is amended to read:

Sec. 24. [EFFECTIVE DATE; LOCAL APPROVAL.]

This act is effective in the local government units named in section 23 upon approval by all of the government units named in section 23 and upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3, April 1, 1982, pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a).

Sec. 26. [EFFECTIVE DATE.]

Sections 15 to 25 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 2, delete "counties" and insert "local government"

Page 1, line 4, after the semicolon, insert "establishing provision for the event that grant funding is not received for the North Koochiching area sanitary district;"

Page 1, line 6, after the semicolon, insert "Laws 1981, Chapter 291, Sections 2, Subdivisions 1 and 2, and by adding subdivisions; 4, Subdivision 1; 5, Subdivision 2; 7; 8, Subdivisions 1 and 2, and by adding a subdivision; and 24;"

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

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

S.F. No. 1875: A bill for an act relating to the city of St. Paul; establishing certain taxes.

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

Page 1, line 9, delete "six" and insert "four"

Page 1, line 16, before the period, insert "and not less than one percent of 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"

Pages 1 and 2, delete section 2, and insert:

"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 acquisition, 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 this act in the city of Saint Paul, any tax increment generated by private development in, and revenues from the operation of the civic center complex shall be pledged in whole to the payment of the bonds 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 may 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. When 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)."

Amend the title as follows:

Page 1, line 3, before the period insert "; authorizing the issuance of bonds for certain city facilities."

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

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

S.F. No. 1493: A bill for an act relating to health; allowing payment for day treatment services provided by mental health centers through medical assistance and general assistance medical care; amending Minnesota Statutes 1981 Supplement, Sections 256B.02, Subdivision 8, as amended; and 256D.03, Subdivision 4.

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

Pages 1 to 4, delete section 1

Page 4; lines 28 and 29, delete the new language

Page 4, line 31, strike "medications" and insert "day treatment services provided by a mental health center established under sections 245.61 to 245.69, subdivision 1, and funded through chapter 256E and for" and after "prescribed" insert "medications"

Page 5, delete lines 23 to 32 and insert:

"Minnesota Statutes, Section 256D.03, Subdivision 4, is repealed July 1, 1983."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, before "mental" insert "certain"

Page 1, line 4, delete "medical assistance and"

Page 1, line 6, delete "Sections 256B.02, Subdivision 8, as amended; and" and insert "Section"

Page 1, line 7, before the period, insert "; repealing Minnesota Statutes 1980, Section 256D.03, Subdivision 4"

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

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

S.F. No. 1930: A bill for an act relating to financial institutions; authorizing bank or trust company investment in community welfare projects; amending Minnesota Statutes 1980, Section 48.61, by adding a subdivision.

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

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 47.20, Subdivision 4b, is amended to read:

Subd. 4b. Notwithstanding any other provision of this chapter, including section ~~47.201~~ 47.203, with respect to any conventional loan pursuant to which the mortgagee or lender shall receive any share of future appreciation of the mortgaged property, the following limitations shall apply:

(1) The share of future appreciation of the mortgaged property which the lender or mortgagee may receive shall be limited to the proportionate amount produced by dividing the lesser of the acquisition cost or fair market value of the mortgaged property at the time the conventional loan is made into the original principal amount of the conventional loan; provided that in no event shall the annual rate of return obtained by the lender or mortgagee over the term of the conventional loan exceed the maximum lawful interest rate prescribed in subdivision 4a.

(2) The lender or mortgagee shall not receive any share of future appreciation of the mortgaged property except (a) upon sale or transfer of the mortgaged property or any interest therein, whether by lease, deed, contract for deed or otherwise, whether for consideration or by gift or in the event of death, or otherwise, and whether voluntarily, involuntarily, or by operation of law, provided that if the mortgagor or mortgagors own the mortgaged property as co-tenants, the transfer of the mortgaged property or any interest therein from one of such co-tenants to another co-tenant, whether by reason of death or otherwise, shall not be considered a sale or transfer, and a taking by eminent domain shall not be considered a sale or transfer unless it is a total taking for which payment is made for the full value of the mortgaged property, and a casualty loss shall not be considered a sale or transfer unless the proceeds of any insurance claim made in connection with such casualty loss are applied to prepay the principal of the conventional loan, or (b) upon the stated maturity of the loan, if the loan is made pursuant to or in connection with a specific housing program undertaken by a city, housing and rehabilitation authority, port authority, or other political subdivision or agency of the state.

(3) Before the loan is made, the lender shall disclose to the mortgagor or mortgagors the terms and conditions upon which the lender or mortgagee shall receive any share of future appreciation of the mortgaged property.

Section 47.20, subdivision 6a, shall not be construed to prohibit the lender or mortgagee from declaring the entire debt of a conventional loan subject to this subdivision due and payable upon a sale or transfer of the mortgaged property or any interest therein, as provided in clause (2).

The commissioner may from time to time make, amend and rescind rules, forms and orders necessary to carry out the provisions of this subdivision. The provisions of this subdivision shall not apply to loans made pursuant to the program authorized by Laws 1981, Chapter 97."

Page 1, after line 18, insert:

"Sec. 3. [EFFECTIVE DATE.]

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

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert: "permitting certain shared appreciation mortgages; providing that the mortgage becomes due and payable upon its sale or transfer;"

Page 1, line 5, after "subdivision" insert "; and Minnesota Statutes 1981 Supplement, Section 47.20, Subdivision 4b"

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

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

S.F. No. 1507: A bill for an act relating to commerce; regulated loans; extending a prohibition on certain types of first liens taken on regulated loans to industrial loan and thrift companies and clarifying this prohibition to exclude loans used to satisfy the balance due on a contract for deed; applying the statutory provisions relating to conventional loan defaults to regulated loans; clarifying the method for the computation of interest; allowing the combination of loans of different maturities and interest rates; prohibiting attorney's fees except in connection with mortgage foreclosures; placing certain restrictions on the procurement of insurance in connection with a loan; providing miscellaneous technical and clarifying amendments; and eliminating a duplicative provision; amending Minnesota Statutes 1980, Section 53.04, Subdivision 5; and Minnesota Statutes 1981 Supplement, Sections 53.01; 53.04, Subdivision 3a; 56.12; 56.131, Subdivisions 1, 3, and 5; 56.14; 56.155; 334.02; and 334.03; proposing new law coded in Minnesota Statutes, Chapter 56.

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

Page 2, line 14, after the period, insert "*The provisions of sections 47.20 and 47.21 do not apply to loans made under this section, except as specifically provided in this subdivision.*"

Page 2, line 19, delete "*other than a*"

Page 2, delete lines 20 to 22 and insert "unless:

(1) the proceeds of the loan are used to finance the purchase of a manufactured home; or

(2) the proceeds of the loan are used in whole or in part to satisfy the balance owed on a contract for deed. The rate of interest charged on such a loan made after August 1, 1984, shall not exceed the rate provided in section 47.20, subdivision 4a.

A licensee making a loan under this chapter secured by a lien on real estate shall comply with the requirements of section 47.20, subdivision 8."

Page 3, line 25, after the period, insert "*The provisions of sections 47.20 and 47.21 do not apply to loans made under this chapter, except as provided in this section.*"

Page 3, line 28, strike "other than a mobile home." and delete "This"

Page 3, lines 29 to 31, delete the new language and insert "unless:

(1) the proceeds of the loan are used to finance the purchase of a manufactured home; or

(2) the proceeds of the loan are used in whole or in part to satisfy the balance owed on a contract for deed. The rate of interest charged on such a loan made after August 1, 1984, shall not exceed the rate provided in section 47.20, subdivision 4a."

Page 3, line 31, begin a new paragraph with "If"

Page 8, delete section 7

Pages 8, 9 and 10, delete section 9

Page 12, line 18, after the period, insert "*In all cases when insurance is offered the obligor shall be informed that he has the option of providing insurance through existing policies of insurance owned or controlled by him or by procuring and furnishing the offered coverage through any insurer authorized to transact an insurance business within this state.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "extending a"

Page 1, delete lines 3 to 6

Page 1, line 7, delete "for deed;"

Page 1, line 15, delete the second "and"

Page 1, line 16, delete "eliminating a duplicative provision;"

Page 1, line 20, delete ", 3,"

Page 1, line 20, delete "56.14;"

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

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

S.F. No. 1855: A bill for an act relating to insurance; eliminating certain mandatory filings with the commissioner of insurance; repealing Minnesota Statutes 1980, Section 72A.062.

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

Page 1, after line 6, insert:

“Section 1. Minnesota Statutes 1981 Supplement, Section 60A.17, Subdivision 6c, is amended to read:

Subd. 6c. [REVOCAION OR SUSPENSION OF LICENSE.] (a) The commissioner may suspend or revoke an insurance agent's license issued to a natural person or impose a civil penalty appropriate to the offense, not to exceed \$5,000 upon that licensee, if, after notice and hearing, the commissioner finds as to that licensee any one or more of the following conditions:

- (1) Any materially untrue statement in the license application;
- (2) Any cause for which issuance of the license could have been refused had it then existed and been known to the commissioner at the time of issuance;
- (3) Violation of, or noncompliance with, any insurance law or violation of any rule or order of the commissioner or of a commissioner of insurance of another state or jurisdiction;
- (4) Obtaining or attempting to obtain any license through misrepresentation or fraud;
- (5) Improperly withholding, misappropriating, or converting to the licensee's own use any moneys belonging to a policyholder, insurer, beneficiary, or other person, received by the licensee in the course of the licensee's insurance business;
- (6) Misrepresentation of the terms of any actual or proposed insurance contract;
- (7) Conviction of a felony or of a gross misdemeanor or misdemeanor involving moral turpitude;
- (8) That the licensee has been found guilty of any unfair trade practice, as defined in chapters 60A to 72A, or of fraud;
- (9) That in the conduct of the agent's affairs under the license, the licensee has used fraudulent, coercive, or dishonest practices, or the licensee has been shown to be incompetent, untrustworthy, or financially irresponsible;
- (10) That the agent's license has been suspended or revoked in any other state, province, district, territory, or foreign country;
- (11) That the licensee has forged another's name to an application for insurance; or
- (12) That the licensee has violated subdivision 6b.

(b) The commissioner may suspend or revoke an insurance agent's license issued to a partnership or corporation or impose a civil penalty not to exceed \$5,000 upon that licensee, if, after notice and hearing, the commissioner finds as to that licensee, or as to any partner, director, shareholder, officer, or

employee of that licensee, any one or more of the conditions set forth in paragraph (a).

(c) A revocation of a license shall prohibit the licensee from making a new application for a license for at least one year. Further, the commissioner may, as a condition of relicensure, require the applicant to file a reasonable bond for the protection of the citizens of this state, which bond shall be maintained by the licensee in full force for a period of five years immediately following issuance of the license, unless the commissioner at his or her discretion shall after two years permit the licensee to sooner terminate the maintenance filing of the bond.

(d) Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of chapter 60A or of any rule or order of the commissioner:

(1) The commissioner may issue and cause to be served upon the person an order requiring the person to cease and desist from the violation. The order shall give reasonable notice of the time and place of hearing and shall state the reasons for the entry of the order. A hearing shall be held not later than seven days after the issuance of the order unless the person requests a delay. After the hearing and within 30 days of filing of any exceptions to the hearing examiner's report, the commissioner shall issue an order vacating the cease and desist order or making it permanent as the facts require. All hearings shall be conducted in accordance with the provisions of chapter 15. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against the person upon consideration of the cease and desist order, the allegations of which may be deemed to be true;

(2) *The commissioner may bring an action in the district court in the appropriate county to enjoin the acts or practices and to enforce compliance with chapter 60A and any rule or order of the commissioner; and*

(3) In any proceeding under chapter 60A relating to injunction, the request for injunction may be brought on for hearing and disposition upon an order to show cause returnable upon not more than eight days notice to the defendant. The case shall have precedence over other matters on the court calendar and shall not be continued without the consent of the state of Minnesota, except upon good cause shown to the court, and then only for a reasonable length of time as may be necessary in the opinion of the court to protect the rights of the defendant.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 60A.17, Subdivision 13, is amended to read:

Subd. 13. [AGENTS; VARIABLE CONTRACTS.] (a) [LICENSE REQUIRED.] No person shall sell or offer for sale a contract on a variable basis unless prior to making any solicitation or sale the person has obtained from the commissioner a license therefor. The license shall only be granted, upon the written requisition of an insurer, to a qualified person who holds a current license authorizing the person to solicit and sell life insurance and annuity contracts in this state. To become qualified, a person shall complete a written application on a form prescribed by the commissioner and shall take and pass an examination prescribed by the commissioner. Prior to the taking of the

examination, or upon re-examination, the applicant shall transmit to the commissioner, by money order or cashiers check payable to the state treasurer, an examination fee of \$10.

(b) [EXCEPTIONS.] (1) Any *regularly salaried officer or employee* of a licensed insurer may, without license or other qualification, act ~~in its~~ on behalf of that licensed insurer in the negotiation and consummation of contracts a contract on a variable basis, provided that a licensed agent must participate in the sale of any contract.

(2) Any person who, on July 1, 1969, holds a valid license authorizing the person to solicit and sell life insurance and annuity contracts and who also holds a valid license issued by the securities and real estate division of the department of commerce authorizing the person to sell or offer for sale contracts on a variable basis shall be issued a license by the commissioner of insurance upon application therefor and payment of a \$2 fee, which license shall expire on May 31, 1970, unless renewed by an insurer as provided in paragraph (a).

(3) Any person who holds a valid license to solicit and sell life insurance and annuity contracts may solicit and sell contracts on a variable basis without acquiring a license under this subdivision if the contract is based on an account which is excluded from the definition of investment company under the Investment Company Act of 1940, 15 U.S.C. 80a-3(11).

(c) [RULES.] The commissioner may by rules waive or modify any of the foregoing requirements or prescribe additional requirements deemed necessary for the proper sale and solicitation of contracts on a variable basis.

Sec. 3. [APPLICABILITY.]

Section 2 applies to contracts on a variable basis delivered, issued for delivery, renewed, or amended on or after August 1, 1982."

Renumber the section in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "authorizing the commissioner to enjoin violations of chapter 60A; providing certain exceptions to variable contract license requirements; amending Minnesota Statutes 1981 Supplement, Section 60A.17, Subdivisions 6c and 13;"

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

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

S.F. No. 1449: A bill for an act relating to commerce; revising and modernizing laws relating to hotels; providing for the rights and duties of innkeepers and their guests; prohibiting certain practices; imposing penalties; amending Minnesota Statutes 1980, Section 363.03, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 327; repealing Minnesota Statutes 1980, Sections 327.01 to 327.095.

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

Page 1, after line 11, insert:

"HOTELS"

Page 1, lines 16 and 20, delete "any" and insert "a"

Page 1, line 18, delete "any"

Page 1, line 20, after "motel," insert "resort,"

Page 2, lines 3 and 5, delete "when" and insert "if"

Page 2, line 17, delete " , printed in at least ten point type,"

Page 2, line 21, delete "(a)" and insert "(1)"

Page 2, line 22, delete "(b)" and insert "(2)"

Page 2, lines 27 and 29, delete "\$3,000" and insert "\$1,000"

Page 3, line 2, delete "any"

Page 3, line 4, delete "\$1,500" and insert "\$1,000"

Page 3, line 9, delete "(a)" and insert "(1)"

Page 3, line 9, delete "(b)" and insert "(2)"

Page 3, line 12, delete "(c)" and insert "(3)"

Page 3, line 14, delete "(d)" and insert "(4)"

Page 3, line 18, delete "\$2,000" and insert "\$1,000"

Page 3, line 22, delete "room assigned" and insert "bedroom registered"

Page 3, line 34, delete "Any" and insert "An"

Page 4, line 1, before the period, insert "and upon payment of the costs of storage. The innkeeper may also dispose of abandoned, unclaimed property in the manner provided in sections 345.01 to 345.07"

Page 4, lines 2, 19, and 26, delete "Any" and insert "An"

Page 4, lines 13 and 31, delete "Any" and insert "A"

Page 4, lines 20, 27, and 36, delete "any" and insert "a"

Page 4, line 20, after "guest" insert "or other person"

Page 5, lines 1, 5, and 8, delete "any" and insert "a"

Page 5, line 2, delete "Minnesota"

Page 5, line 3, delete "Statutes,"

Page 5, line 3, delete the second "Section" and insert " section"

Page 5, lines 5 and 17, delete "Any" and insert "A"

Page 5, line 13, delete "printed in at least ten point type"

Page 5, line 24, delete "shall include," and insert " includes:"

Page 5, delete line 25

Page 6, line 2, delete "Except as provided in"

Page 6, line 3, delete "subdivision 2, any" and insert "An"

Page 6, line 7, delete "any"

Page 6, line 12, delete "*Provided,*"

Page 6, line 12, delete "*that*"

Page 6, line 14, delete "3" and insert "2"

Page 6, line 15, delete "4" and insert "3"

Page 6, delete lines 16 to 19

Page 6, line 20, delete "3" and insert "2"

Page 6, line 25, delete "*where*" and insert "*if*"

Page 6, line 26, delete "*satisfaction of the*"

Page 7, line 7, delete "4" and insert "3"

Page 7, line 10, delete ", together with any" and insert " and pay to the defendant"

Page 7, line 18, delete "*Minnesota*"

Page 7, line 19, delete "*Statutes,*"

Page 7, line 24, delete "*any*" and insert "*an*"

Page 7, line 32, delete "*any*" in both places and insert "*an*"

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

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

S.F. No. 1920: A bill for an act relating to local government; permitting towns to issue off-sale liquor licenses; amending Minnesota Statutes 1980, Section 368.01, by adding a subdivision.

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

Page 1, line 7, delete "368.01" and insert "340.11"

Page 1, line 9, delete "31" and insert "10b"

Page 1, line 9, delete "LIQUOR" and insert "OFF-SALE"

Page 1, line 9, after "LICENSES" insert "; TOWNS"

Page 1, line 9, after "*board*" insert "*of any town exercising powers pursuant to section 368.01, subdivision 1,*"

Page 1, line 10, delete "*liquor*"

Page 1, line 10, delete "*liquors*" and insert "*liquor*"

Page 1, line 16, delete "\$500" and insert "\$5,000"

Amend the title as follows:

Page 1, line 4, delete "368.01" and insert "340.11"

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. 1719: A bill for an act relating to courts; authorizing the chief judge of the judicial district to fill vacancies in the office of judicial officer in St. Louis, Steele, Goodhue and Carlton counties; amending Minnesota Statutes 1981 Supplement, Section 487.08, Subdivision 2.

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

Page 1, after line 8, insert:

“Section 1. Minnesota Statutes 1980, Section 487.04, is amended to read:

487.04 [DISQUALIFICATIONS OF LAY JUDGE.]

A county court judge who is not learned in the law shall not act in hearings, try or dispose of any case or proceeding involving jurisdiction in addition to that exercised by him at the time of the effective date of Laws 1971, Chapter 951. Those matters shall be heard by a judge or judicial officer learned in the law from within the county court district or from any other county, who upon request of the county court agrees to serve or who is assigned to hear the cases or proceedings by the chief justice of the supreme court, or, with the consent of the parties and the district court, such proceedings may be transferred by the county court to the district court. *Provided that, a lay judge may be assigned to hear marriage dissolution actions in which the custody of children is not at issue.*”

Page 1, line 11, after “2.” insert “[EXCEPTION.]”

Page 1, line 13, delete the new language

Page 1, line 17, after “officer” insert “in St. Louis County”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete “, Goodhue”

Page 1, line 5, after the semicolon, insert “prescribing powers for certain judges;”

Page 1, line 5, after “amending” insert “Minnesota Statutes 1980, Section 487.04; and”

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. 2038: 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.

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

Page 2, line 10, before the period, insert “, unless release would be detrimental to the best interests of the child”

Page 3, line 20, delete "If upon" and insert "After the"

Page 3, line 21, delete "the report is found to be substantiated" and insert "is completed"

Page 3, line 23, delete "If upon"

Page 3, delete lines 24 and 25

Page 4, after line 28, insert:

"Sec. 6. Minnesota Statutes 1980, Section 626.557, Subdivision 19, is amended to read:

Subd. 19. [PENALTY.] Any caretaker, as defined in subdivision 2, or operator or employee thereof, or volunteer worker thereat, who intentionally abuses or neglects a vulnerable adult, or being a caretaker, permits conditions to exist which result in the abuse or neglect of a vulnerable adult, ~~may be charged with a violation of section 609.23~~ is guilty of a gross misdemeanor."

Page 4, line 30, delete "5" and insert "6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "prescribing penalties;"

Page 1, line 8, after the comma, insert "Subdivision 19, and"

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

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

S.F. No. 862: A bill for an act proposing an amendment to the Minnesota Constitution, Article XI, Section 5; providing for the improvement and rehabilitation of certain railroad facilities.

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

Page 2, line 11, before the semicolon, insert "provided that bonds issued and unpaid shall not at any time exceed \$200,000,000 par value"

Page 2, line 20, after "authority" insert "up to a maximum of \$200,000,000"

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

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

H.F. No. 1734: A bill for an act relating to courts; authorizing the continuance of the office of court referee in the second and fourth judicial districts; amending Minnesota Statutes 1981 Supplement, Section 484.70, Subdivision 1.

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

Page 1, lines 10 to 12, reinstate the stricken language

Page 1, line 13, reinstate everything before the stricken "June"

Page 1, line 14, reinstate "August 15, 1980, in the fourth"

Page 1, lines 15 to 17, reinstate the stricken language

Page 1, line 17, delete "However," and delete "June"

Page 1, line 18, delete everything before "August"

Page 1, line 20, delete "under the terms and conditions"

Page 1, line 21, delete "of each appointment"

Page 1, line 21, after "vacancy" insert "arising prior to June 1, 1984,"

Page 1, line 21, after "offices" insert "in the fourth judicial district"

Page 1, line 22, after "district" insert "only"

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

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

H.F. No. 1611: A bill for an act relating to garnishment; authorizing an employer to recover expenses incurred for administering garnishment of an employee's wages; amending Minnesota Statutes 1980, Section 571.57.

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

Page 2, line 3, after "fee" insert ", not exceeding \$9 in any 30 day period,"

Page 2, line 3, after the period, insert "A processing transaction means any written response the garnishee employer is required by law to mail or deliver for purposes of administering the garnishment of an employee's wages."

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. 522: A bill for an act relating to family; clarifying circumstances in which parent with custody of child may move to another state; amending Minnesota Statutes 1980, Section 518.175, Subdivision 3.

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

Page 1, lines 11 to 14, reinstate the stricken language

Page 1, line 14, delete "if the only" and insert ". If the"

Page 1, line 16, delete everything after "decree" insert ", the court shall not permit the child's residence to be moved to another state"

Page 1, delete lines 17 and 18

Page 1, line 19, delete everything before the period

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. 2172: A bill for an act relating to crimes; clarifying methods of and

responsibility for imposing and collecting penalty assessments; amending Minnesota Statutes 1981 Supplement, Sections 609.101 and 626.861.

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

Page 1, line 25, delete "*penalty assessment*" and insert "*surcharge*"

Page 2, lines 2 and 16, delete "*penalty assessments*" and insert "*sur-charges*"

Pages 2 to 4, delete section 2

Page 4, line 7, delete "*Sections 1 and 2 are*" and insert "*Section 1 is*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "*Sections*" and insert "*Section*" and delete "*and 626.861*"

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. 788: A bill for an act relating to courts; conciliation courts; authorizing actions to recover amounts lost due to worthless checks in the county of issuance and where the plaintiff resides; amending Minnesota Statutes 1980, Section 487.30, by adding a subdivision; 488A.12, Subdivision 3; and 488A.29, Subdivision 3.

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

Page 1, line 12, after "*4.*" insert "*[JURISDICTION; WORTHLESS CHECKS.]*"

Page 1, line 17, before the period, insert "*provided that the notice of nonpayment or dishonor required by section 609.535, subdivision 3, is sent to the maker or drawer as specified therein and the notice states that the payee or holder of the check or other order of payment of money may commence a conciliation court action in the county where the worthless check was issued to recover the amount of the check*"

Page 1, line 17, after the period, insert "*This subdivision does not apply to a check or other order for payment of money that has been dishonored by a stop payment order.*"

Page 1, line 20, after the period, insert "*The conciliation court clerk shall attach a copy of the dishonored check or other order for payment of money to the summons before it is issued.*"

Page 2, line 16, before the period, insert "*provided that the notice of nonpayment or dishonor required by section 609.535, subdivision 3, is sent to the maker or drawer as specified therein and the notice states that the payee or holder of the check or other order of payment of money may commence a conciliation court action in the county where the worthless check was issued to recover the amount of the check*"

Page 2, line 16, after the period, insert *"This clause does not apply to a check or other order for payment of money that has been dishonored by a stop payment order."*

Page 2, line 19, after the period, insert *"The conciliation court administrator shall attach a copy of the dishonored check or other order for payment of money to the summons before it is issued."*

Page 2, after line 19, insert:

"Sec. 3. Minnesota Statutes 1980, Section 488A.14, Subdivision 4, is amended to read:

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

Sec. 4. Minnesota Statutes 1980, Section 488A.16, Subdivision 2, is amended to read:

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

Sec. 5. Minnesota Statutes 1980, Section 488A.16, Subdivision 5, is amended to read:

Subd. 5. [VACATION OF ORDER FOR JUDGMENT WITHIN ~~TEN~~ TWENTY DAYS.] When a default judgment or a judgment of dismissal on the merits has been ordered for failure to appear, the judge, within ~~ten~~ 20 days after notice thereof was mailed, may vacate the order for judgment ex parte and grant a new hearing, if the defaulting party shows lack of notice, mistake, inadvertence, or excusable neglect as the cause of his failure to appear. Absolute or conditional costs not exceeding \$25 to the other party may be ordered as a prerequisite to that relief. The clerk shall notify the other party by mail of the new hearing date.

Sec. 6. Minnesota Statutes 1980, Section 488A.16, Subdivision 6, is amended to read:

Subd. 6. [VACATION OF JUDGMENT AFTER ~~TEN~~ TWENTY DAYS.] When a defendant shows that he did not receive a summons before the hearing within sufficient time to permit a defense and that he did not receive notice of the order for default judgment within sufficient time to permit him to make application for relief within ~~ten~~ 20 days or shows other good cause within six months from the date of entry of judgment, a judge may vacate a default

judgment with or without payment of absolute or conditional costs. The clerk shall notify the parties by mail of the new hearing date.

Sec. 7. Minnesota Statutes 1980, Section 488A.17, Subdivision 2, is amended to read:

Subd. 2. [PROCEDURE FOR REMOVAL OF CAUSE.] No cause shall be ~~so removed unless all of the following acts are performed~~ by the aggrieved party ~~unless all of the following acts are performed within ten~~ 20 days after the date the clerk mailed to him notice of the order for judgment:

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

(b) ~~File~~ *Filing* with the clerk of conciliation court the original demand for removal and proof of service thereof. If the opposing party or his attorney cannot be found and service of the demand ~~be is~~ made within the ~~ten~~ 20 day period, the aggrieved party may file with the clerk within the ~~ten~~ 20 day period the original and a copy of the demand, together with an affidavit by himself or his attorney showing that due and diligent search has been made and that the opposing party or his attorney cannot be found ~~and~~ . The filing of this affidavit shall serve in lieu of making service and filing proof of service. When ~~such~~ an affidavit is filed, the clerk shall mail the copy of the demand to the opposing party at his last known residence address.

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

(d) ~~Pay~~ *Paying* to the clerk of conciliation court \$2 when the demand is for trial by court, ~~plus \$5 additional or \$7~~ when the demand is for trial by a jury of six persons.

Sec. 8. Minnesota Statutes 1980, Section 488A.17, Subdivision 3, is amended to read:

Subd. 3. [LIMITED REMOVAL OF CAUSE, PROCEDURE.] (a) When a motion for vacation of a judgment or an order for judgment under subdivision 5 or 6 of section 488A.16 has been denied, the aggrieved party may demand limited removal to the municipal court of the county of Hennepin for hearing de novo of his motion. The demand for limited removal and notice of the hearing de novo must be served by the aggrieved party on the other party in accordance with the provisions of subdivision 2(a) ~~of this section and~~ . The original demand and notice, with proof of service, must be filed with the clerk of conciliation court within ~~ten~~ 20 days after the motion has been denied, or the original and one copy of the demand and notice, together with an affidavit similar to that required by subdivision 2(b) ~~of this section~~ must be filed with the clerk of conciliation court within ~~said ten-day~~ the 20 day period. When ~~such~~ an affidavit is filed, the clerk shall ~~then~~ mail the copy of the demand and notice to

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

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

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

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

Page 3, line 5, before the period, insert "*provided that the notice of non-payment or dishonor required by section 609.535, subdivision 3, is sent to the maker or drawer as specified therein and the notice states that the payee or holder of the check or other order of payment of money may commence a conciliation court action in the county where the worthless check was issued to recover the amount of the check*"

Page 3, line 5, after the period, insert "*This clause does not apply to a check or other order for the payment of money that has been dishonored by a stop payment order.*"

Page 3, line 8, after the period, insert "*The conciliation court administrator shall attach a copy of the dishonored check or other order for payment of money to the summons before it is issued.*"

Page 3, after line 8, insert:

"Sec. 10. Minnesota Statutes 1980, Section 488A.31, Subdivision 4, is amended to read:

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

Sec. 11. Minnesota Statutes 1980, Section 488A.33, Subdivision 2, is amended to read:

Subd. 2. [ENTRY OF JUDGMENT.] The administrator shall enter judg-

ment ~~forthwith~~ as ordered by the court, dating the judgment entry the same date as notice is mailed to the parties. Unless: (1) otherwise ordered by a judge, (2) payment has been made in full, (3) removal to municipal court has been perfected or (4) an order vacating the prior order has been filed, the judgment so entered by the administrator becomes final ~~ten~~ 20 days after the mailing of notice.

Sec. 12. Minnesota Statutes 1981 Supplement, Section 488A.34, Subdivision 2, is amended to read:

Subd. 2. [PROCEDURE FOR REMOVAL OF CAUSE.] No cause shall be ~~so removed unless all the following acts are performed~~ by the aggrieved party ~~unless all of the following acts are performed~~ within 20 days after the date the administrator mailed to him notice of the order for judgment:

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

(b) ~~File~~ *Filing* with the administrator of conciliation court the original demand for removal and proof of service thereof. If the opposing party or his attorney cannot be found and service of the demand ~~be is~~ made within the 20 day period, the aggrieved party may file with the administrator within the 20 day period the original and a copy of the demand, together with an affidavit by himself or his attorney showing that due and diligent search has been made and that the opposing party or his attorney cannot be found ~~and~~. The filing of this affidavit shall serve in lieu of making service and filing proof of service. When ~~such~~ an affidavit is filed, the administrator shall mail the copy of the demand to the opposing party at his last known address.

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

(d) ~~Pay~~ *Paying* to the administrator of conciliation court the fee set by the board of Ramsey County commissioners when the demand is for trial by court, plus \$6 additional when the demand is for trial by a jury of six. The above fee is not payable by the county.

Sec. 13. Minnesota Statutes 1980, Section 488A.34, Subdivision 12, is amended to read:

Subd. 12. [LIMITED REMOVAL OF CAUSE, PROCEDURE.] (a) When a motion for vacation of a judgment or an order for judgment under section 488A.33, subdivisions 5 or 8, has been denied, the aggrieved party may demand limited removal to the municipal court for hearing de novo of his motion. The demand for limited removal and notice of the hearing de novo must be served by the aggrieved party on the other party in accordance with the provisions of subdivision 2, clause (a), ~~and~~. The original demand and notice, with proof of service, must be filed with the administrator of conciliation court

within ~~ten~~ 20 days after the motion has been denied, or the original and one copy of the demand and notice, together with an affidavit similar to that required by subdivision 2, clause (b), must be filed with the administrator of conciliation court within ~~said ten~~ the 20 day period. When ~~such~~ an affidavit is filed, the administrator shall ~~then~~ mail the copy of the demand and notice to the other party at his last known residence address. The aggrieved party shall pay a fee of \$3 to the clerk of conciliation court for filing the demand and notice ~~and~~. This fee shall not be recoverable as a disbursement. The notice shall set a date for hearing de novo at a special term of the municipal court not less than ten days nor more than 30 days subsequent to the date of filing the original demand and notice.

(b) The administrator of conciliation court thereupon shall pay over to the municipal court the \$3 fee and shall file in municipal court the removal demand and notice together with all orders, affidavits, and other papers filed in conciliation court. The administrator of municipal court shall then place the cause on the special term calendar of the municipal court for hearing on the date specified in the notice.

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

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

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "revising various time limits;"

Page 1, line 7, delete "and" and insert "488A.14, Subdivision 4; 488A.16, Subdivisions 2, 5, and 6; 488A.17, Subdivisions 2 and 3;"

Page 1, line 7, before the period, insert "; 488A.31, Subdivision 4; 488A.33, Subdivision 2; 488A.34, Subdivision 12; and Minnesota Statutes 1981 Supplement, Section 488A.34, Subdivision 2"

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. 1175: A bill for an act relating to crimes; establishing a bill of rights for victims and witnesses of crimes; establishing certain participatory, informational, notification and referral rights for victims and witnesses; affirming the right of victims to bring actions against offenders; establishing the right of a victim to request restitution; providing for implementation of victim and witness rights by law; providing penal sanctions and judicial mechanisms to deter intimidation of witnesses; facilitating the expeditious return of stolen property by provision of judicial and administrative procedures; establishing county coordinating committees on victim and witness assistance to coordinate

victim and witness assistance planning; providing for employer intercession, secure court waiting areas and witness fees; requiring criminal justice agencies to inform victims of the progress of criminal prosecutions and to inform victims of financial assistance and social services; providing for minimal victim participation in the criminal process; establishing a crime victims compensation and service fund for payment of compensation awards and victim and witness services; providing penalties; amending Minnesota Statutes 1980, Sections 241.26, Subdivisions 5 and 6; 243.23, Subdivision 3; 363.03, by adding a subdivision; 571.55, by adding a subdivision; 609.115, Subdivision 1; and 631.425, Subdivision 5; proposing new law coded as Minnesota Statutes, Chapter 611A; repealing Minnesota Statutes 1980, Sections 299C.07; 357.24; and 609.498.

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 609.498, is amended to read:

609.498 [TAMPERING WITH A WITNESS.]

Subdivision 1. [TAMPERING WITH A WITNESS IN THE FIRST DEGREE.] *Whoever does any of the following is guilty of tampering with a witness in the first degree and may be sentenced as provided in subdivision 1a:*

(a) *intentionally prevents or dissuades or intentionally attempts to prevent or dissuade by means of force or threats of injury to person, family, or property, a person who is or may become a witness from attending or testifying at any trial, proceeding, or inquiry authorized by law, is guilty of tampering with a witness in the first degree and may be sentenced; or*

(b) *intentionally threatens to cause injury to person, family or property in retaliation against a person who was summoned as a witness at any trial, proceeding or inquiry authorized by law, within a year following that trial, proceeding or inquiry; or*

(c) *intentionally prevents or dissuades or attempts to prevent or dissuade by means of force or threats of injury to person, family, or property, a person from providing information to law enforcement authorities concerning a crime; or*

(d) *intentionally threatens to cause injury to person, family or property in retaliation against a person who has provided information to law enforcement authorities concerning a crime within a year of that person so providing the information.*

Subd. 1a. [SENTENCE.] *Whoever violates subdivision 1 may be sentenced to imprisonment for not more than five years or to payment of a fine not to exceed \$5,000.*

Subd. 2. [TAMPERING WITH A WITNESS IN THE SECOND DEGREE.] *Whoever does any of the following is guilty of tampering with a witness in the second degree and may be sentenced as provided in subdivision 3:*

(a) *intentionally prevents or dissuades or intentionally attempts to prevent or dissuade by means of any act described in section 609.27, subdivision 1, clauses (3), (4), or (5), a person who is or may become a witness from*

attending or testifying at any trial, proceeding, or inquiry authorized by law, is guilty of tampering with a witness in the second degree and, or

(b) intentionally prevents or dissuades or attempts to prevent or dissuade by means of any act described in section 609.27, subdivision 1, clauses (3), (4), or (5), a person from providing information to law enforcement authorities concerning a crime.

Subd. 3. [SENTENCE.] Whoever violates subdivision 2 may be sentenced to imprisonment for not more than one year or to payment of a fine not to exceed \$1,000.

Sec. 2. [609.5811] [DEFINITIONS; SCOPE.]

Subdivision 1. [LAWFUL ENTRY.] Whoever enters a building while open to the general public does so with consent except when consent was previously expressly withdrawn.

Subd. 2. [DEFINITIONS.] For the purposes of sections 2 to 7 and 609.59, the terms in this subdivision have the meanings given them and the principles set forth in this section apply.

"Building" means a dwelling or other structure suitable for or affording shelter for human beings or appurtenant to or connected with a structure so adapted, and includes portions of such structures separately occupied.

"Dwelling" means a structure used as a permanent or temporary residence by a person or persons, including any tent, watercraft, structure, or vehicle that is intended and used for overnight lodging.

Sec. 3. [609.5812] [BURGLARY IN THE FIRST DEGREE.]

Whoever, under any of the following circumstances, enters a building without the consent of the person in lawful possession, with intent to commit a crime in it, or remains in a building without the consent of the person in lawful possession, with intent to commit a crime in it, commits burglary in the first degree and may be sentenced to imprisonment for not more than 20 years or to payment of a fine of not more than \$20,000, or both:

(1) The building he enters is a dwelling which is occupied or believed to be occupied;

(2) The portion of the building he enters contains a banking business or other business of receiving securities or other valuable papers for deposit or safekeeping, the entry is with force or threat of force, and the intent is to steal or commit a felony therein;

(3) When entering or while in the building, he possesses a dangerous weapon or commits an assault upon a person present in the building entered; or

(4) When entering or while in the building, he possesses an explosive or tool to gain access to money or property.

Sec. 4. [609.5813] [BURGLARY IN THE SECOND DEGREE.]

Whoever, when burglary in the first degree is not committed, enters a dwelling without the consent of the person in lawful possession, with intent to commit a crime in it, or remains in a dwelling without the consent of the person

in lawful possession, with intent to commit a crime in it, commits burglary in the second degree and may be sentenced to imprisonment for not more than 15 years or to payment of a fine of not more than \$15,000, or both.

Sec. 5. [609.5814] [BURGLARY IN THE THIRD DEGREE.]

Whoever, when burglary in the first or second degree is not committed, enters a building without the consent of the person in lawful possession, with intent to commit a felony or gross misdemeanor in it, or remains in a building without the consent of the person in lawful possession, with intent to commit a felony or gross misdemeanor in it, commits burglary in the third degree and may be sentenced to imprisonment for not more than ten years or to payment of a fine of not more than \$10,000, or both.

Sec. 6. [609.5815] [BURGLARY IN THE FOURTH DEGREE.]

Whoever, when burglary in the first, second, or third degree is not committed, enters a building without the consent of the person in lawful possession, with intent to commit a misdemeanor in it, or remains in a building without the consent of the person in lawful possession, with intent to commit a misdemeanor in it, commits burglary in the fourth degree and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both.

Sec. 7. [REPEALER.]

Minnesota Statutes 1980, Section 609.58, is repealed.

Sec. 8. [EFFECTIVE DATE.]

This act is effective July 1, 1982 and applies to all crimes committed on or after that date."

Delete the title and insert:

"A bill for an act relating to crimes; prohibiting tampering with a witness; prohibiting burglary; increasing penalties; amending Minnesota Statutes 1980, Section 609.498; proposing new law coded in Minnesota Statutes, Chapter 609; repealing Minnesota Statutes 1980, Section 609.58."

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

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

S.F. No. 1891: A bill for an act relating to real property; providing for relief in certain cases from inequitable foreclosure of mortgages, termination of contracts for the conveyance of real estate, and execution sales of real property during an emergency declared by the governor; authorizing the governor to declare by proclamation a public economic emergency under certain conditions, limiting its duration, and providing nullifying powers in the legislature; postponing certain sales and extending the period of redemption of real property during an emergency; providing for possession during the extended period; and limiting the right to maintain actions for deficiency judgments; proposing new law coded as Minnesota Statutes, Chapter 582A.

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

Page 1, line 19, delete "the"

Page 2, line 5, before "extension" insert "postponement and"

Page 2, line 5, delete the second "the"

Page 2, line 17, after "in" insert "a certain county or counties of"

Page 2, line 29, after "mortgages" insert "or contracts for deed"

Page 3, line 13, delete "is" and insert "has"

Page 3, line 13, after "not" insert "been"

Page 3, line 16, delete "to"

Page 3, line 19, delete "is" and insert "has been"

Page 3, after line 20, insert:

"Subd. 4. [PROPERTY COVERED; DESIGNATED COUNTIES.] The provisions of sections 1 to 12 apply only to mortgages secured by and contracts for deed conveying real property located, in whole or in part, in a county designated in the governor's proclamation."

Page 3, line 34, delete "shall"

Page 4, line 2, delete "shall" and insert "may"

Page 4, line 2, after "with" insert "or after service of"

Page 4, line 3, after the period, insert "In determining whether to grant the relief requested, the court shall consider whether it would be better for the petitioner to proceed under the federal bankruptcy code."

Page 4, line 14, delete "and" and insert a period

Page 4, lines 14 and 26, after "sale" insert a comma

Page 4, line 14, delete the second "the" and insert "a"

Page 4, line 14, after "court" insert a comma

Page 5, line 14, delete "purchaser" and insert "vendee"

Page 5, delete lines 21 to 28 and insert:

"If, during the effective period of the governor's proclamation: (1) a mortgage on real property is foreclosed and the period of redemption has not expired; (2) an action to foreclose a mortgage on real property is commenced or is pending; (3) proceedings to foreclose a mortgage by advertisement are commenced or are pending; (4) a notice of termination of contract for deed is served; (5) the period of time during which a contract for deed can be reinstated expires; or (6) proceedings to enforce a judgment against real estate are commenced or are pending; the"

Page 5, line 30, delete "such" and insert "any"

Page 5, line 31, delete "as"

Page 5, line 32, delete the semicolon and insert a period

Page 5, line 33, delete "provided that" and insert "In such case"

Page 5, line 34, delete the comma and insert a semicolon

Page 5, line 34, delete the second "the"

- Page 5, line 35, delete the second comma and insert a semicolon.
- Page 5, line 36, after "in" insert "the"
- Page 6, line 1, after "judgment" insert a comma
- Page 6, line 6, after "attorney" insert a comma
- Page 6, line 6, after "postponing" insert "repossession,"
- Page 6, line 7, delete ", and" and insert ". The petition shall also request the court to determine"
- Page 6, line 8, delete "determining"
- Page 6, line 11, delete "directing and requiring" and insert "to direct"
- Page 6, line 15, after the period, insert "In determining whether to grant the relief requested, the court shall consider whether it would be better for the petitioner to proceed under the federal bankruptcy code."
- Page 6, line 21, delete the comma and insert "or"
- Page 6, line 21, after "tolled" insert ", repossession shall be postponed,"
- Page 6, line 22, delete the second "and" and insert a comma
- Page 6, line 22, after "execution" insert ", and sale"
- Page 6, line 31, after "cease" insert a comma
- Page 7, line 9, delete "as"
- Page 7, line 17, delete "and" and insert a period
- Page 7, after line 28, insert:
- "Sec. 13. [REPEALER.]
- This act is repealed effective April 1, 1983."*
- Page 7, line 33, after the period, insert "Section 13 is effective April 1, 1983."

Renumber the sections in sequence

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

SECOND READING OF SENATE BILLS

S.F. Nos. 1657, 1793, 1493, 1930, 1507, 1855, 1449, 1920, 2038, 2172 and 1175 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1719, 1734, 1611, 522 and 788 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Peterson, C.C. moved that H.F. No. 1576 be withdrawn from the Committee on Commerce and re-referred to the Committee on Rules and

Administration for comparison with S.F. No. 1507. The motion prevailed.

Mr. Dieterich moved that H.F. No. 1849 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 2172. The motion prevailed.

Mr. Knoll moved that S.F. No. 2095 be taken from the table. The motion prevailed.

S.F. No. 2095: A bill for an act relating to state government; implementing the provisions of certain reorganization orders issued by the commissioner of administration; amending Minnesota Statutes 1980, Sections 176.281; and 474.01, Subdivisions 7a and 7b; and Minnesota Statutes 1981 Supplement, Section 474.03.

CONCURRENCE AND REPASSAGE

Mr. Knoll moved that the Senate concur in the amendments by the House to S.F. No. 2095 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 2095: A bill for an act relating to state government; implementing the provisions of certain reorganization orders issued by the commissioner of administration; clarifying certain regulations relating to professional boxing; amending Minnesota Statutes 1980, Sections 176.281; and 474.01, Subdivisions 7a and 7b; Minnesota Statutes 1981 Supplement, Section 474.03; and Laws 1982, Chapter 375, Section 1.

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

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

The roll was called, and there were yeas 46 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lantry	Purfeerst	Stumpf
Belanger	Engler	Lindgren	Ramstad	Taylor
Berg	Frank	Merniam	Rued	Ulland
Berglin	Frederick	Moe, R. D.	Schmitz	Vega
Bernhagen	Frederickson	Nelson	Setzepfandt	Waldorf
Bertram	Hughes	Olhoft	Sikorski	Willet
Chmielewski	Johnson	Pehler	Solon	
Davies	Knoll	Peterson, C.C.	Spear	
Davis	Kroening	Peterson, D.L.	Stern	
Dicklich	Kronebusch	Pillsbury	Stokowski	

Messrs. Benson and Kamrath voted in the negative.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that H.F. No. 1220 be stricken from General Orders and, pursuant to Joint Rule 2.03, be referred to the Committee on Rules and Administration. The motion prevailed.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, 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. 1637: A bill for an act relating to state investment policy; prohibiting certain investments in countries not following human rights standards; proposing new law coded in Minnesota Statutes, Chapter 11A.

Mr. Spear moved that S.F. No. 1637 be stricken from the Calendar and placed at the top of General Orders. The motion prevailed.

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.

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 1, as follows:

Those who voted in the affirmative were:

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

Mr. Penny voted in the negative.

So the bill passed and its title was agreed to.

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.

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 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

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.

With the unanimous consent of the Senate, Mr. Merriam moved that the amendment made to H.F. No. 2073 by the Committee on Rules and Administration in the report adopted March 6, 1982, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 2073 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 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

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.

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 6, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Berg	Peterson, D. L.	Setzepfandt	Waldorf	Willet
Kroening				

So the bill passed and its title was agreed to.

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.

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 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

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.

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 2, as follows:

Those who voted in the affirmative were:

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

Messrs. Olhoft and Peterson, D.L. voted in the negative.

So the bill passed and its title was agreed to.

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.

Mr. Spear moved that H.F. No. 1794 be stricken from the Calendar and placed at the top of General Orders. The motion prevailed.

H.F. No. 2050: A bill for an act relating to crimes; establishing the crime of commercial bribery; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 609.

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 3, as follows:

Those who voted in the affirmative were:

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

Messrs. Knoll, Pillsbury and Purfeerst voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1336: A bill for an act relating to financial institutions; redefining "contract for deed" to include sales of mobile homes used as a residence by the seller; amending Minnesota Statutes 1981 Supplement, Section 47.20, Subdivision 2.

Mr. Peterson, C.C. moved that S.F. No. 1336 be stricken from the Calendar and placed at the top of General Orders. The motion prevailed.

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.

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 7, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Benson	Davies	Peterson, D. L.	Spear	Stumpf
Berglin	Merriam			

So the bill passed and its title was agreed to.

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

With unanimous consent of the Senate, Mr. Penny moved to amend H.F. No. 1817, as amended pursuant to Rule 49, adopted by the Senate March 5, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1700.)

Strike the first Engler amendment to H.F. No. 1817 adopted March 6, 1982.

The motion prevailed. So the amendment was adopted.

H.F. No. 1817 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 59 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Waldorf voted in the negative.

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

H.F. No. 1456: A bill for an act relating to probate; changing certain records-keeping requirements; amending Minnesota Statutes 1980, Section 525.03; Laws 1979, Chapter 303, Article III, Section 43.

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 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 1804: A bill for an act relating to partition fences; exempting certain lands from the provisions of chapter 344; proposing new law coded in Minnesota Statutes, Chapter 344.

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 6, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Davies
Engler

Kroening

Merriam

Peterson, C.C.

Stumpf

So the bill passed and its title was agreed to.

H.F. No. 1720: A bill for an act relating to retirement; recognizing service covered by multiple retirement funds for entitlement to a disability benefit; proposing new law coded in Minnesota Statutes, Chapter 356.

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 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 1735: A bill for an act relating to retirement; Hennepin county supplemental retirement program; providing for a phase out of the program; authorizing current participants to withdraw from the program; providing for an increased withdrawal benefit option in certain instances; amending Laws 1969, Chapter 950, Sections 1, 2, 3, as amended, 4, as amended, 5 and 6; repealing Laws 1969, Chapter 950, Section 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 1234: A bill for an act relating to employees and officials of the

state; hospital and medical benefits for retired or disabled state officials and employees; amending Minnesota Statutes 1980, Section 471.61, 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 58 and nays 3, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lantry	Peterson, D. L.	Spear
Bang	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	Ulland
Brataas	Hughes	Moe, R. D.	Renneke	Vega
Chmielewski	Johnson	Nelson	Schmitz	Waldorf
Dahl	Kamrath	Olhoft	Setzepfandt	Wegener
Davies	Knoll	Pehler	Sieloff	Willett
Davis	Kroening	Penny	Sikorski	
Dicklich	Langseth	Peterson, C. C.	Solon	

Mr. Bertram, Mrs. Kronebusch and Mr. Rued voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1859: A bill for an act relating to forestry; establishing a forest research management policy and plan; realignment of forestry boundaries; establishing a forest management fund and accounting system; changing certain procedures for timber sales from state and tax-forfeited lands; extending certain timber permits; making various changes in forestry laws; amending Minnesota Statutes 1980, Sections 16A.125, Subdivision 5; 89.001, and by adding subdivisions; 89.01, Subdivision 6; 89.021, Subdivision 1; 89.036; 89.37, Subdivisions 2, 3, 3a, and 4; 90.201; 90.251, Subdivisions 1 and 4; 197.447; 282.01, Subdivisions 1 and 3; 282.02; and 282.132; Minnesota Statutes 1981 Supplement, Section 282.04, Subdivision 1; Laws 1981, Chapter 305, Section 11; proposing new law coded in Minnesota Statutes, Chapters 88, 89, 90, and 282; repealing Minnesota Statutes 1980, Sections 282.031; 282.032; 282.033; 282.034; 282.035; 282.036; and 282.037.

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 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 1786: A bill for an act relating to agriculture; changing certain procedures relating to fertilizers and soil and plant amendments; imposing a penalty; amending Minnesota Statutes 1980, Sections 17.713, by adding a subdivision; 17.721, Subdivision 2; and 17.728, as amended; Minnesota Statutes 1981 Supplement, Sections 17.713, Subdivisions 8, 12, 17a, and 20; 17.714, Subdivision 2; 17.716, Subdivision 6; 17.719, Subdivision 1, and by adding a subdivision; 17.721, Subdivision 1; 17.725, Subdivision 1; and 17.726; proposing new law coded in Minnesota Statutes, Chapter 17.

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 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SUSPENSION OF RULES

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

CONSENT CALENDAR

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.

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 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 1580: A bill for an act relating to state lands; providing for the conveyance of certain tax forfeited 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 1231: A bill for an act relating to state lands; directing conveyance of certain lands in Washington 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

APPOINTMENTS

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

S.F. No. 378: Ms. Berglin; Messrs. Peterson, R.W. and Ramstad.

S.F. No. 1856: Messrs. Spear, Ashbach and Nelson.

H.F. No. 552: Messrs. Peterson, R.W.; Bernhagen and Dahl.

H.F. No. 1555: Messrs. Dieterich, Merriam, Hughes, Langseth and Rued.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

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.

Messrs. Lindgren, Peterson, D.L.; Ramstad; Knutson and Ashbach introduced—

S.F. No. 2217: A bill for an act relating to local government; establishing an advisory council on school district finance; proposing new law coded as Minnesota Statutes, Chapter 15B.

Referred to the Committee on Education.

Messrs. Hanson and Davies introduced—

S.F. No. 2218: A bill for an act relating to Minnesota Statutes; standardizing the form of references to the United States Code, the Code of Federal Regulations, and miscellaneous other foreign publications; correcting obsolete forms of reference to Minnesota laws; replacing requirements that certain officers comply with provisions of law previously repealed with the text of the provisions with which they must comply; removing references to certain obsolete compilations of law; replacing references to certain obsolete compilations of law with their current equivalents; updating references to federal law and regulations to the most recent enactment; amending Minnesota Statutes 1980, Sections 4.073; 9.36, Subdivisions 1 and 2; 15.15; 15.162, Subdivision 5; 15.1693, Subdivisions 2 and 4; 16.011; 16A.17, Subdivision 1; 16A.35; 17.694, Subdivision 3; 17A.05, Subdivisions 1 and 2; 18A.21, Subdivision 15; 21.49, Subdivision 1; 31.01, Subdivisions 30 and 32; 31.101, Subdivisions 7, 8 and 28; 31.103, Subdivision 1; 31A.02, Subdivisions 17 and 18; 40.01, Subdivision 13; 40.07, Subdivision 14; 40.072, Subdivision 3; 48.24, Subdivision 6; 48.245; 48.56; 48.59, Subdivision 3; 48.605, Subdivision 1; 48.63; 50.24; 51A.37, Subdivision 3; 54.27, Subdivision 1; 60A.21, Subdivision 1; 61A.245, Subdivision 2; 61A.25, Subdivision 4; 62D.22, Subdivision 4; 62D.30, Subdivision 1; 62E.02, Subdivision 15; 65A.32; 72A.13, Subdivision 2; 72A.17; 72A.33; 72A.40; 84.027, Subdivisions 4, 5 and 6;

84.523, Subdivision 1; 84.43, Subdivision 2; 84B.01, Subdivision 1; 85.33, Subdivision 2; 88.37; 88.38; 88.40; 88.41; 90.50, Subdivision 1; 92.163, Subdivision 2; 98.47, Subdivisions 8 and 17; 100.29, Subdivision 32; 104.08, Subdivision 1; 104.25, Subdivisions 1 and 2; 104.39; 105.401, Subdivision 2; 111.35; 115.03, Subdivisions 1, 6 and 7; 115.44, Subdivision 5; 116.16, Subdivisions 2 and 10; 116.05; 116.06, Subdivision 4; 117.52; 117.53; 120.02, Subdivision 14; 120.83, Subdivision 1; 121.48, Subdivision 1; 123.35, Subdivision 12; 123.77, Subdivision 5; 123.932, Subdivision 3; 124.38, Subdivision 2; 124.615; Subdivision 1; 124.625; 124.645, Subdivision 1; 124.67; 124.68; 124.79; 129A.03; 136.43; 136.44; 136.45; 136.502; 136.55, Subdivision 1; 136.67, Subdivision 2; 136.70, Subdivision 1; 138.081, Subdivisions 2 and 3; 139.19, Subdivision 2; 144.10; 145.08, Subdivision 4; 145.61, Subdivision 5; 145.833, Subdivisions 7, 9, 10 and 11; 145.835, Subdivision 4; 145.837, Subdivision 2; 145.838, Subdivision 2; 151.01, Subdivision 21; 152.02, Subdivision 4; 152.21, Subdivision 5; 154.16; 160.276, Subdivision 3; 160.278, Subdivision 1; 161.242, Subdivision 6; 161.433, Subdivision 1; 168.27, Subdivision 12; 173.01; 173.04, Subdivision 5; 173.185, Subdivision 1; 174.245, Subdivision 2; 176.041, Subdivision 1; 177.23, Subdivision 7; 178.03, Subdivisions 3 and 4; 181.73, Subdivision 2; 181A.11; 181B.02, Subdivision 7; 181B.07; 182.651, Subdivision 8; 192.261, Subdivision 5; 192.261, Subdivision 6; 192A.015; 216A.11, Subdivision 2; 216A.12; 216B.165, Subdivisions 1 and 2; 222.48, Subdivision 7; 237.03; 243.51, Subdivision 2; 243.88, Subdivision 2; 245.70; 256B.065; 256B.22; 256D.36, Subdivision 1; 268.04, Subdivisions 12 and 25; 268.06, Subdivisions 1, 4, 5, 28 and 32; 268.071, Subdivision 1; 268.09, Subdivisions 4 and 7; 268.12, Subdivisions 11 and 12; 268.14, Subdivision 6; 268.23; 268.37, Subdivision 2; 268.40, Subdivision 1; 273.1105, Subdivision 2; 273.52; 281.275; 281.39; 282.01, Subdivision 9; 282.14; 290.36; 296.28; 299A.03, Subdivision 6; 299C.50; 299F.56, Subdivision 2; 299F.60, Subdivision 3; 299F.63, Subdivision 3; 302.021, Subdivision 1; 308.08; 309.515, Subdivision 1; 315.12; 317.165, Subdivision 1; 325A.01, Subdivision 5; 325F.10; 334.16, Subdivision 2; 347.40; 352E.01, Subdivision 4; 354A.021, Subdivisions 1, 2 and 5; 355.01, Subdivision 9; 355.47, Subdivision 2; 356.454; 360.0161, Subdivision 2; 360.075, Subdivision 1; 360.55, Subdivision 3; 360.59, Subdivision 10; 362.41, Subdivision 3; 373.39; 375.471; 458.192, Subdivision 13; 462.445, Subdivision 5; 462A.21, Subdivision 7; 471.615; 471.655; 472.03, Subdivisions 11 and 13; 473.141, Subdivision 14; 473.568, Subdivision 1; 473F.06; 501.115, Subdivisions 1 and 3; 501.74; 524.3-916; 525.528; 540.153; 571.35, Subdivision 2; 580.15; 600.24; 624.71, Subdivisions 1 and 2; 626.557, Subdivision 2; 626A.02, Subdivision 2; 645.31, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 9.061, Subdivision 2; 17.72; 47.20, Subdivision 2; 47.203; 47.204, Subdivision 1; 48.06; 60A.17, Subdivision 13; 61A.281, Subdivision 4; 62A.21, Subdivision 2b; 97.461, Subdivision 1; 97.488, Subdivision 2; 105.416, Subdivision 2; 111.11; 115A.24, Subdivision 2; 116.18, Subdivision 1; 116H.02, Subdivision 3; 116H.09, Subdivision 1; 116H.129, Subdivisions 2, 5 and 7; 116H.17; 116H.23; 136.87, Subdivision 1; 144.55, Subdivision 3; 144.704, Subdivision 2; 144.801, Subdivision 8; 145.834; 145.845; 145.97; 161.242, Subdivision 4; 168.013, Subdivisions 1a and 1e; 169.44, Subdivision 14; 169.974, Subdivision 2; 176.111, Subdivision 21; 176.132, Subdivision 2; 181.90; 183.465; 190.05, Subdivisions 1 and 7; 192.11; 204D.11, Subdivision 4; 216B.164, Subdivisions 2 and 3; 257.071, Subdivision 4; 273.13, Subdivision 7; 290.01, Subdivision 20; 290.09, Subdivision 5; 290.091; 290.132, Subdivision 2; 290.92, Subdivision 16; 290.971, Subdivision 7; 290A.03, Subdivision 3; 291.05; 297A.01, Subdivi-

sion 3; 297A.25, Subdivision 1; 303.02, Subdivision 3; 326.243; 327.20, Subdivision 1; 327.32, Subdivision 8; 327.35, Subdivision 7; 334.061; 352.115, Subdivision 10; 353.37, Subdivision 1; 353.64, Subdivision 7; 354A.31, Subdivision 3; 354.44, Subdivisions 1a and 5; 354A.21; 462C.05, Subdivision 1; 462C.10; 500.24, Subdivisions 2 and 3; 501.76, Subdivision 1; 609.52, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 111.

Referred to the Committee on Judiciary.

Mr. Willet, for the Committee on Finance, introduced—

S.F. No. 2219: A bill for an act relating to the organization and operation of state government; providing for deficiencies in and supplementing appropriations for the expenses of state government with certain conditions; fixing and limiting fees; imposing various cost saving measures; providing matching money for a microelectronic and information sciences center; altering certain provisions concerning the regulation of shoreland use and development in municipalities; authorizing collection of debts related to trunk highways; authorizing a certified state development company; appropriating money; amending Minnesota Statutes 1980, Sections 105.485, Subdivision 6; 161.20, by adding a subdivision; 296.13; 388.20, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 15.0412, Subdivision 4; 15.052, Subdivision 5, as amended; 214.06, Subdivision 1; 239.10; Laws 1981, Chapter 356, Section 31, Subdivision 5; Third Special Session Chapter 2, Article I, Section 2, Subdivision I, Paragraph (k); proposing new law coded in Minnesota Statutes, Chapters 197, 214, and 362.

Mr. Willet moved that S.F. No. 2219 be laid on the table. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Dieterich moved that the following members be excused for a Conference Committee on H.F. No. 1555:

Messrs. Dieterich, Merriam, Hughes, Langseth and Rued. 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. Menning in the chair.

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

S.F. Nos. 1336, 1765, 1682, 588, 2127, 2053, 1714 and H.F. Nos. 1430, 2077, 1710, 1652, 1068, 1283, 773, 1573 and 1455 which the committee recommends to pass.

H.F. No. 1185, which the committee recommends be returned to the Com-

mittee on Transportation.

S.F. No. 1767, which the committee recommends be returned to the Committee on Taxes and Tax Laws.

H.F. No. 1794, which the committee recommends to pass, subject to the following motion:

Mr. Spear moved that the amendment made to H.F. No. 1794 by the Committee on Rules and Administration in the report adopted March 6, 1982, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

S.F. No. 1637, which the committee recommends to pass with the following amendment offered by Mr. Spear:

Delete everything after the enacting clause and insert:

“Section 1. [11A.26] [PROHIBITED INVESTMENTS.]

Subdivision 1. [POLICY.] The legislature finds that the present government of the Republic of South Africa, through its legally sanctioned policies of racial discrimination, is violative of both the substance and the intent of Minnesota laws protecting individuals from unjust discrimination. Therefore, it is the intention of the legislature to prohibit future investments and deposits in financial institutions lending money to the government of the Republic of South Africa or any of its agencies.

Subd. 2. [DEFINITIONS.] As used in this section, the following terms shall have the meanings given them:

(1) “Financial institution” means any federally or state chartered bank, savings and loan, thrift institution, or any other institution permitted by state or federal law to receive deposits of money and to pay out that money through loans, draft accounts, or the sale of financial institution securities;

(2) “Financial institution securities” means any stock or bond issued by a financial institution, and any certificate of deposit, bankers acceptance, or other negotiable security issued by a financial institution.

(3) “National corporation” includes a corporation or a subsidiary or affiliate of a corporation that is more than 50 percent owned or operated by the government of the Republic of South Africa.

Subd. 3. [PROHIBITED INVESTMENTS AND DEPOSITS IN FINANCIAL INSTITUTIONS.] The state board shall not purchase or acquire any financial institution security issued by a financial institution that after January 1, 1983 participates in any loans to the government of the Republic of South Africa or any South African government agency or to any South African national corporation. Nor shall the state board deposit any assets of the board in such financial institutions.

A financial institution ineligible to receive state board investments and deposits may establish eligibility if documentary evidence is submitted to the state board of investment which is sufficient to establish that the financial institution has adopted a written policy that prohibits the lending of its assets to the government of the Republic of South Africa or any of its agencies. For purposes of this section, “documentary evidence” shall include, as a min-

imum, an executed affidavit by an appropriate officer of the financial institution, in a form prepared by the board, attesting to the fact that the financial institution prohibits the lending of its assets to the government of the Republic of South Africa or any of its agencies. The board shall also attempt to verify compliance by reference to sources of information not affiliated with the corporation or financial institution.

Sec. 2. [APPLICABILITY.]

The prohibitions contained in section 1, subdivision 3, apply to all investments and deposits authorized in section 11A.24.

The motion prevailed. So the amendment was adopted.

H.F. No. 1885, which the committee recommends to pass with the following amendments offered by Mr. Sikorski:

Mr. Sikorski moved to amend H. F. No. 1885 as follows:

Page 1, after line 15, insert:

Sec. 2. Minnesota Statutes 1981 Supplement, Section 256D.03, Subdivision 4, is amended to read:

Subd. 4. [GENERAL ASSISTANCE MEDICAL CARE.] (a) Notwithstanding the provisions of sections 256D.01 to 256D.21 and 261.23, or any other law to the contrary, for the biennium ending June 30, 1983, state aid shall be paid to local agencies or counties for 90 percent of general assistance medical care paid by the local agency or county on behalf of persons eligible for general assistance or persons meeting the income and resource criteria established in the program for aid to families with dependent children. Nothing in this provision shall be construed to modify the spenddown required in appropriate cases for general assistance medical care. Reimbursement for medical care provided under sections 256D.01 to 256D.21 or 261.23 shall be limited to the following categories of service only: inpatient hospital care, outpatient hospital care, prescription drugs, physician's services, medical transportation, and dental care. In addition, payments of state aid shall be made for ~~medications~~ *day treatment services provided by a mental health center established under sections 245.61 to 245.69, subdivision 1, and funded through chapter 256E and for prescribed medications* for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization.

(b) At the option of the county board and with the approval of the commissioner of public welfare, reimbursement for inpatient hospital care, outpatient hospital care, and prescription drugs may be limited to designated medical care providers.

(c) The commissioner of public welfare may reduce payments provided under sections 256D.01 to 256D.21 and 261.23 in order to remain within the amount appropriated for general assistance medical care, within the following restrictions. Reductions below the cost per service unit allowable under section 256.966, shall be permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 45 percent; payments for all other inpatient hospital care may be reduced no more than 35 percent. Reductions below the payments allowable under section 256.967 for

the remaining general assistance medical care services allowable under this provision may be reduced no more than 25 percent.

(d) If the commissioner or county refuses to pay all or part of the charge for a health service, they shall not be liable for the unpaid portion of the charge. Any county may, from its own resources, provide medical payments for which state payments are not made."

Page 1, line 17, delete "*Section 1 is*" and insert "*Sections 1 and 2 are*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before the period insert "; allowing payment for day treatment services provided by certain mental health centers through general assistance; amending Minnesota Statutes 1981 Supplement, Section 256D.03, Subdivision 4"

The motion prevailed. So the amendment was adopted.

Mr. Sikorski then moved to amend H.F. No. 1885 as follows:

Page 1, line 8, before "*Until*" insert "*Notwithstanding the provisions of section 15.0412, subdivision 5,*"

The motion prevailed. So the amendment was adopted.

H.F. No. 1589, which the committee recommends to pass with the following amendment offered by Mrs. Kronebusch:

Page 1, line 19, after "*city*" insert "*or town*"

The motion prevailed. So the amendment was adopted.

H.F. No. 2134, which the committee recommends to pass with the following amendment offered by Mr. Olhoft:

Amend H.F. No. 2134, as amended pursuant to Rule 49, adopted by the Senate March 4, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 2155.)

Page 1, line 24, delete "*shall*" and insert "*may*"

The motion prevailed. So the amendment was adopted.

H.F. No. 623, which the committee recommends to pass with the following amendment offered by Mr. Olhoft:

Amend H.F. No. 623, the unofficial engrossment, as follows:

Page 1, lines 14 and 23, delete "*10*" and insert "*15*"

The motion prevailed. So the amendment was adopted.

H.F. No. 1751, which the committee recommends to pass with the following amendment offered by Mr. Solon:

Page 2, lines 14 to 18, reinstate the stricken language

The motion prevailed. So the amendment was adopted.

H.F. No. 1635, which the committee recommends to pass with the follow-

ing amendment offered by Mr. Hanson:

Page 1, after line 25, insert:

"Sec. 2. [CONVEYANCE OF LAND; LAKE OF THE WOODS COUNTY.]

The commissioner of revenue shall convey, without monetary consideration, by quitclaim deed in a form approved by the attorney general to Lake of the Woods County, all right, title and interest of the state in and to that certain tract of land located within the county of Lake of the Woods, Minnesota, and described as:

All of Block Seventeen (17), East Beaudette, Minnesota, according to the recorded plat thereof.

Sec. 3. [CONVEYANCE OF LAND; BELTRAMI COUNTY.]

The commissioner of revenue shall convey, without monetary consideration, by quitclaim deed in a form approved by the attorney general to Beltrami County, all right, title and interest of the state in and to that certain tract of land located within the county of Beltrami, Minnesota, and described as:

West Half of South Half of East Quarter of Southwest Quarter of Southeast Quarter (W 1/2 of S 1/2 of E 1/4 of SW 1/4 of SE 1/4), less North One Hundred Thirty-two (132) feet, Section Five (5), Township One Hundred Forty-six (146), Range Thirty-three (33),

South Two Hundred (200) feet of North Three Hundred Thirty-two (332) feet of East Half of South Half of East Quarter of Southwest Quarter of Southeast Quarter (E 1/2 of S 1/2 of E 1/4 of SW 1/4 of SE 1/4), Section Five (5), Township One Hundred Forty-six (146), Range Thirty-three (33)."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before the period, insert "directing conveyances of the state's right, title and interest in certain lands to Lake of the Woods County and Beltrami County"

The motion prevailed. So the amendment was adopted.

H.F. No. 1831, which the committee recommends to pass with the following amendment offered by Ms. Berglin:

Amend H.F. No. 1831, as amended pursuant to Rule 49, adopted by the Senate March 5, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1834.)

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1980, Section 268.09, Subdivision 1, is amended to read:

Subdivision 1. [DISQUALIFYING CONDITIONS.] An individual shall be disqualified for waiting week credit and benefits for the duration of his unemployment and until he has earned four times his weekly benefit amount in insured work if he is separated from employment under any of the following

conditions:

(1) [VOLUNTARY LEAVE.] The individual voluntarily and without good cause attributable to the employer discontinued his employment with such employer. For the purpose of this clause, a separation from employment by reason of its temporary nature or for inability to pass a test or for inability to meet performance standards necessary for continuation of employment shall not be deemed voluntary.

A separation shall be for good cause attributable to the employer if it occurs as a consequence of sexual harassment. Sexual harassment means unwelcome sexual advances, requests for sexual favors, sexually motivated physical contact or other conduct or communication of a sexual nature when: (1) the employee's submission to such conduct or communication is made a term or condition of the employment, (2) the employee's submission to or rejection of such conduct or communication is the basis for decisions affecting employment, or (3) such conduct or communication has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment and the employer knows or should know of the existence of the harassment and fails to take timely and appropriate action.

(2) [DISCHARGE FOR MISCONDUCT.] The individual was discharged for misconduct, not amounting to gross misconduct connected with his work or for misconduct which interferes with and adversely affects his employment.

An individual shall not be disqualified under clauses (1) and (2) of this subdivision under any of the following conditions:

(a) The individual voluntarily discontinued his employment to accept work offering substantially better conditions of work or substantially higher wages or both;

(b) The individual is separated from employment due to his own serious illness provided that such individual has made reasonable efforts to retain his employment;

An individual who is separated from his employment due to his illness of chemical dependency which has been professionally diagnosed or for which he has voluntarily submitted to treatment and who fails to make consistent efforts to maintain the treatment he knows or has been professionally advised is necessary to control that illness has not made reasonable efforts to retain his employment.

(c) The individual accepts work from a base period employer which involves a change in his location of work so that said work would not have been deemed to be suitable work under the provisions of subdivision 2 and within a period of 13 weeks from the commencement of said work voluntarily discontinues his employment due to reasons which would have caused the work to be unsuitable under the provision of said subdivision 2;

(d) The individual left employment because he had reached mandatory retirement age and was 65 years of age or older; or

(e) The individual is terminated by his employer because he gave notice of intention to terminate employment within 30 days. This exception shall be effective only through the calendar week which includes the date of intended

termination, provided that this exception shall not result in the payment of benefits for any week for which he receives his normal wage or salary which is equal to or greater than his weekly benefit amount;

(f) The individual is separated from employment due to the completion of an apprenticeship program, or segment thereof, approved pursuant to chapter 178.

(3) [DISCHARGE FOR GROSS MISCONDUCT.] The individual was discharged for gross misconduct connected with his work or gross misconduct which interferes with and adversely affects his employment and provided further that the commissioner is empowered to impose a total disqualification for the benefit year and to cancel part or all of the wage credits from the last employer from whom he was discharged for gross misconduct connected with his work.

For the purpose of this clause "gross misconduct" shall be defined as misconduct involving assault and battery or the malicious destruction of property or the theft of money or property of a value of \$100 or more or arson or sabotage or embezzlement. However, no person shall be deemed to have been discharged for gross misconduct for purposes of this chapter unless (1) the person makes an admission to the conduct in writing or under oath, or (2) the person is found to have engaged in such conduct by an appeals tribunal established pursuant to section 268.10, or (3) the person has been convicted by a court of competent jurisdiction of acts constituting gross misconduct.

(4) [LIMITED OR NO CHARGE OF BENEFITS.] Benefits paid subsequent to an individual's separation under any of the foregoing clauses, excepting clauses (2)(c) and (2)(e), shall not be used as a factor in determining the future contribution rate of the employer from whose employment such individual separated.

Benefits paid subsequent to an individual's failure, without good cause, to accept an offer of suitable re-employment shall not be used as a factor in determining the future contribution rate of the employer whose offer of re-employment he failed to accept or whose offer of re-employment was refused solely due to the distance of the available work from his residence, the individual's own serious illness or his other employment at the time of the offer.

(5) An individual who was employed by an employer shall not be disqualified for benefits under this subdivision for any acts or omissions occurring after his separation from employment with the employer."

Page 2, line 11, delete "*This act*" and insert "*Section 1*"

Page 2, line 11, after "*enactment*" insert "*and applies to any separation from employment occurring on or after that date*"

Page 2, line 11, after the period, insert "*Section 2 is effective the day after final enactment.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2 after "*rights;*" insert "*clarifying that quitting work due to sexual harassment does not result in benefit disqualification;*"

Page 1, line 5, delete "*Section*" and insert "*Sections 268.09, Subdivision*

I; and"

The motion prevailed. So the amendment was adopted.

H.F. No. 2011, which the committee recommends to pass, subject to the following motion:

Mr. Tennesen moved that the amendment made to H.F. No. 2011 by the Committee on Rules and Administration in the report adopted March 6, 1982, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 560, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1980, Section 117.195, is amended to read:

117.195 [INTEREST; AWARD, WHEN PAYABLE; DISMISSAL; COSTS.]

Subdivision 1. [AWARD; INTEREST.] All damages allowed under this chapter, whether by the commissioners or upon appeal, shall bear interest from the time of the filing of the commissioner's report or from the date of the petitioner's possession whichever occurs first. If the award is not paid within 70 days after such the filing, or, in case of an appeal within 45 days after final judgment, or within 45 days after a stipulation of settlement, the court, on motion of the owner of the land, shall vacate the award and dismiss the proceedings as against such the land.

Subd. 2. [COSTS.] When the proceeding is so dismissed for nonpayment or the same is discontinued by the petitioner, the owner may recover from the petitioner reasonable costs and expenses including attorneys' fees. In the discretion of the court, the owner may also recover from the petitioner reasonable costs and expenses, including attorneys' fees, if a condemnation proceeding is dismissed because a court has held that condemnation shall not lie based on a challenge made under the Minnesota Environmental Rights Act. If the court awards costs and expenses, including attorneys' fees, and if the condemnation proceeding is part of a project or proposal which has received an environmental review pursuant to the Minnesota environmental policy act, or siting or routing selection pursuant to sections 116C.51 to 116C.69, the costs and expenses, including attorney fees, shall be paid by the governmental unit responsible for the review or selection."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "Section" and insert "Sections 117.195; and"

The motion prevailed. So the amendment was adopted.

H.F. No. 1663, which the committee recommends to pass with the following amendment offered by Mr. Pehler:

Amend H.F. No. 1663, as amended pursuant to Rule 49, adopted by the Senate March 6, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1611.)

Page 1, after line 12, insert:

"Section 1. Minnesota Statutes 1980, Section 134.34, is amended by adding a subdivision to read:

Subd. 6. [REGIONAL LIBRARY DIRECTOR QUALIFICATIONS.] Graduation with a masters degree in library media from a university accredited by a regional accrediting association shall qualify an individual for employment as a regional library director. The state board of education shall adopt rules pursuant to chapter 15 to comply with the requirements of this subdivision."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "prescribing qualifications for regional library directors;"

The motion prevailed. So the amendment was adopted.

H.F. No. 1092, which the committee recommends to pass with the following amendment offered by Mr. Bang:

Page 2, line 36, delete "1981" and insert "1982"

Page 3, line 9, delete "1981" and insert "1982"

The motion prevailed. So the amendment was adopted.

S.F. No. 1873, which the committee recommends to pass with the following amendments offered by Messrs. Chmielewski and Dieterich:

Mr. Chmielewski moved to amend S.F. No. 1873 as follows:

Page 2, after line 34, insert:

"Nothing in the section exempts property on the fairgrounds or the fairgrounds itself, which are otherwise taxable, from being subject to real and personal property taxes pursuant to chapters 272 to 275 and chapter 471."

The motion prevailed. So the amendment was adopted.

Mr. Dieterich moved to amend S.F. No. 1873 as follows:

Page 8, line 9, reinstate the stricken language

The motion prevailed. So the amendment was adopted.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Sieloff imposed a call of the Senate for the balance of this evening's Session, and requested that a record be made of those present.

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

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

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

MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 40, Mr. Sieloff moved that S.F. No. 1891 be withdrawn from the Committee on Rules and Administration and placed at the top of General Orders.

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:00 a.m., Tuesday, March 9, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate