

THIRTY-FOURTH DAY

St. Paul, Minnesota, Wednesday, April 13, 1983

The Senate met at 7:30 p.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. James Gorman.

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

Adkins	Diessner	Kroening	Olson	Schmitz
Anderson	Dieterich	Kronebusch	Pehler	Sieloff
Belanger	Frank	Laidig	Peterson, C.C.	Solon
Benson	Frederick	Langseth	Peterson, D.C.	Spear
Berg	Frederickson	Lantry	Peterson, D.L.	Storm
Berglin	Freeman	Lessard	Peterson, R.W.	Stumpf
Bertram	Isackson	Luther	Petty	Taylor
Brataas	Johnson, D.E.	McQuaid	Pogemiller	Ulland
Chmielewski	Johnson, D.J.	Mehrkins	Purfeerst	Waldorf
Dahl	Jude	Merriam	Ramstad	Wegscheid
Davis	Kamrath	Moe, R.D.	Reichgott	Willett
DeCramer	Knaak	Nelson	Renneke	
Dicklich	Knutson	Novak	Samuelson	

The President declared a quorum present.

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

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

April 6, 1983

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

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1983 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1983	Date Filed 1983
	56	18	April 6	April 6
31		19	April 6	April 6
152		20	April 6	April 6
221		21	April 6	April 6
224		22	April 6	April 6
270		23	April 6	April 6
421		24	April 6	April 6

Sincerely,

Joan Anderson Growe
Secretary of State

April 13, 1983

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 107, 128, 207, 269, 325 and 327.

Sincerely,

Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 186 and 240.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 11, 1983

Mr. President:

I have the honor to announce the adoption by the House of the following Senate Concurrent Resolution, herewith returned:

Senate Concurrent Resolution No. 9: A Senate concurrent resolution relating to joint rules; adopting permanent joint rules of the Senate and House of Representatives.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 11, 1983

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 159, 239, 251, 384, 610, 230, 491, 540, 631, 830, 760, 558, 697, 721, 787, 490, 513, 592, 598, 725,

749, 730, 801, 804, 836, 838, 870, 903, 909, 953 and 987.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 11, 1983

FIRST READING OF HOUSE BILLS

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

H.F. No. 159: A bill for an act relating to education; requiring school boards to adopt and review discipline policies including rules of conduct for pupils, and grounds and procedures for removal of pupils from class; amending Minnesota Statutes 1982, section 127.27, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 127.

Referred to the Committee on Education.

H.F. No. 239: A bill for an act relating to liquor; extending the date for requiring dram shop insurance; requiring an assigned risk plan and specifying rule making authority of the commissioner of insurance in regard thereto; amending Minnesota Statutes 1982, sections 340.11, subdivision 21, and by adding a subdivision; and 340.353, subdivision 8; and Laws 1982, chapter 528, section 9.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 357, now on General Orders.

H.F. No. 251: A bill for an act relating to retirement; police and salaried firefighters relief associations; modifying the governance of the trust funds after the local relief association ceases to exist; updating obsolete language; clarifying ambiguous language; amending Minnesota Statutes 1982, section 423A.01, subdivisions 2 and 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 294, now on the Consent Calendar.

H.F. No. 384: A bill for an act relating to retirement; local police and salaried firefighters relief associations; requiring annual valuations; deleting requirement of quadrennial experience studies; removing obsolete language; amending Minnesota Statutes 1982, sections 69.77, subdivision 2; and 356.216.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 437, now on the Consent Calendar.

H.F. No. 610: A bill for an act relating to financial institutions; industrial loan and thrift companies; regulated loans; enlarging the group of institutions which may utilize electronic fund transfer facilities; modifying the capital and reserve limitation on loans by industrial loan and thrift companies; permitting loan and thrifts and regulated lenders to take discount points in certain circumstances; authorizing loan and thrifts to receive savings accounts and savings deposits subject to certain prescribed conditions; regulating loan splitting; eliminating the receipt requirement for money orders; standardizing certain penalties; excepting loan and thrifts and regulated lenders from the licensing requirements for real estate brokers and sales-

persons; amending Minnesota Statutes 1982, sections 47.61, subdivision 4; 47.64, subdivision 1; 48.196; 53.03, subdivision 5; 53.04, subdivisions 3a and 5; 53.05; 53.07, subdivision 2; 53.10; 56.131, subdivision 3, and by adding a subdivision; 56.14; 56.19, subdivision 1; 80A.15, subdivision 1; and 82.18; repealing Minnesota Statutes 1982, section 56.19, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 609, now on the Calendar.

H.F. No. 230: A bill for an act relating to insurance; prohibiting sex discrimination under Minnesota comprehensive health insurance plan; amending Minnesota Statutes 1982, section 62E.08, subdivision 1.

Referred to the Committee on Economic Development and Commerce.

H.F. No. 491: A bill for an act relating to administrative rulemaking; providing for consideration of and participation by small business; proposing new law coded in Minnesota Statutes, chapter 14.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 558.

H.F. No. 540: A bill for an act relating to crimes; creating the crimes of unlawfully obtaining services from a provider of regular route transit and unlawfully interfering with a transit operator while the operator is performing his or her duties; prohibiting disruptive behavior on a transit vehicle; providing penalties; proposing new law coded in Minnesota Statutes, chapter 609.

Referred to the Committee on Judiciary.

H.F. No. 631: A bill for an act relating to Hennepin County; authorizing employees to withdraw from participation in the Hennepin County supplemental retirement fund.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 272, now on the Consent Calendar.

H.F. No. 830: A bill for an act relating to manufactured homes; clarifying the prohibition of net listing agreements; adding an appeals provision; correcting cross-references; amending Minnesota Statutes 1982, sections 327B.01, subdivisions 11 and 14; 327B.04, subdivision 4; 327B.05, subdivisions 1 and 2, and by adding a subdivision; 327B.07, subdivision 1; and 327B.09, subdivisions 1 and 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 740, now on General Orders.

H.F. No. 760: A bill for an act relating to retirement; making various administrative and clarifying amendments to laws governing the Minnesota state retirement system and other retirement plans administered by the system; amending Minnesota Statutes 1982, sections 352.01, subdivisions 11, 16, and 17; 352.021, subdivision 5; 352.113, subdivisions 2, 4, and 6; 352.115, subdivision 8; 352.12, subdivisions 3, 4, and 10; 352.15, subdivision 1; 352.22, subdivision 3; 352.93, subdivision 1; 352.95, subdivisions 4 and 5; 352B.01, subdivisions 3, 9, and 10; 352B.02, subdivision 1; 352B.03, subdivision 2; 352B.05; 352B.07; 352B.071; 352B.08, subdivi-

sion 1; 352B.105; 352B.11, subdivisions 1, 4, and by adding a subdivision; 352B.30, subdivision 1; 352D.015, subdivision 9; 352D.02, subdivision 3; 352D.04, subdivision 1; and 490.124, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 352B; repealing Minnesota Statutes 1982, sections 352.041, subdivision 6; 352.115, subdivisions 4 and 5; 352.118; 352.1191; 352.22, subdivision 4; 352.71; 352.93, subdivisions 5 and 6; 352B.01, subdivision 8; 352B.02, subdivision 2; 352B.06; 352B.13; 352B.261; and 352B.262.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 719, now on General Orders.

H.F. No. 558: A bill for an act relating to commerce; altering certain interest rate provisions on renegotiations of conventional and cooperative apartment loans and contracts for deed; amending Minnesota Statutes 1982, section 47.20, subdivision 4a.

Referred to the Committee on Economic Development and Commerce.

H.F. No. 697: A bill for an act relating to the city of St. Paul; providing for facilities, bonding, powers, and duties of the St. Paul port authority; amending Laws 1976, chapter 234, section 3, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 825, now on General orders.

H.F. No. 721: A bill for an act relating to the city of Babbitt; authorizing the establishment of detached banking facilities.

Referred to the Committee on Economic Development and Commerce.

H.F. No. 787: A bill for an act relating to metropolitan government; regulating the organization, duties, and powers of the metropolitan mosquito control district and commission; amending Minnesota Statutes 1982, sections 473.702; 473.703, subdivisions 1 and 9; 473.704, subdivision 13; 473.711, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 473.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 921.

H.F. No. 490: A bill for an act relating to public welfare; setting standards for determining the county of financial responsibility for purposes of medical assistance, community social services, and supplemental aid; amending Minnesota Statutes 1982, sections 256B.02, subdivisions 2 and 3; 256D.37, by adding a subdivision; and 256E.08, subdivision 7.

Referred to the Committee on Health and Human Services.

H.F. No. 513: A bill for an act relating to elections; changing certain registration procedures; requiring availability of certain public facilities as polling places; changing requirements that voting machines remain locked after elections; amending Minnesota Statutes 1982, sections 201.071, subdivisions 1, 3, and 6; 204B.16, by adding a subdivision; and 206.21, subdivision 3; repealing Minnesota Statutes 1982, section 201.071, subdivision 7.

Referred to the Committee on Rules and Administration for comparison

with S.F. No. 494, now on General Orders.

H.F. No. 592: A bill for an act relating to utilities; providing a penalty for failure to relinquish a coin-operated telephone for an emergency and other telephone-related situations; amending Minnesota Statutes 1982, section 609.78.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 666, now on General Orders.

H.F. No. 598: A bill for an act relating to public welfare; clarifying responsibility for payment for temporary confinement in state hospitals; amending Minnesota Statutes 1982, section 253B.11, subdivision 2.

Referred to the Committee on Health and Human Services.

H.F. No. 725: A bill for an act relating to transportation; classifying right-of-way appraisals as confidential data; regulating the conveyancing and leasing of certain rights-of-way; providing that the consideration to be paid upon reconveyance be equal to the estimated current market value of the property reconveyed; authorizing the acquisition of fee title under certain conditions; authorizing the lease of certain easements and providing for the distribution of rents; providing for the alteration of public drainage systems affecting trunk highways; authorizing fees for and the services of a licensed real estate broker for disposing of right-of-way; authorizing the commissioner to convey land to a utility under certain circumstances; amending Minnesota Statutes 1982, sections 13.50, subdivision 1; 161.202, subdivision 4; 161.241, subdivision 4; 161.28, subdivision 1; 161.43; 161.44, subdivisions 2 and 9, and by adding a subdivision; 161.46, subdivision 4; and proposing new law coded in Minnesota Statutes, chapter 161.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 818, now on General Orders.

H.F. No. 749: A bill for an act relating to the city of Fergus Falls; authorizing the city to issue general obligations to finance a solid waste disposal facility.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 762.

H.F. No. 730: A bill for an act relating to drivers licenses; prohibiting the operation of a motor vehicle in this state by either a resident or nonresident whose license has been revoked, suspended, or cancelled until Minnesota driving privileges are reinstated; amending Minnesota Statutes 1982, section 171.20, subdivision 2; repealing Minnesota Statutes 1982, section 171.181, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 781, now on the Consent Calendar.

H.F. No. 801: A bill for an act relating to financial institutions; authorizing electronic financial terminals at locations other than retail locations established by persons other than retailers; amending Minnesota Statutes 1982, sections 47.62, subdivision 1; and 47.64, subdivision 3; repealing Minnesota Statutes 1982, section 47.61, subdivision 5.

Referred to the Committee on Economic Development and Commerce.

H.F. No. 804: A bill for an act relating to courts; providing for transcript fees; amending Minnesota Statutes 1982, section 486.06.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 716, now on the Consent Calendar.

H.F. No. 836: A bill for an act relating to the legislative reference library; permitting the library to require certain identification of documents deposited; amending Minnesota Statutes 1982, sections 3.195; and 3.302, by adding a subdivision.

Referred to the Committee on Rules and Administration.

H.F. No. 838: A bill for an act relating to transportation; conforming with federal requirements allowing a state authority to exercise jurisdiction over intrastate transportation provided by rail carrier; amending Minnesota Statutes 1982, sections 218.031, subdivision 1; 218.041, subdivision 2; and 218.071, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 786, now on General Orders.

H.F. No. 870: A bill for an act relating to state government; authorizing the commissioner of the department of economic security to adopt permanent or temporary rules; proposing new law coded in Minnesota Statutes, chapter 268; repealing Minnesota Statutes 1982, section 268.12, subdivision 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 711.

H.F. No. 903: A bill for an act relating to insurance; removing obsolete statutory provisions regulating assessment benefit associations; repealing Minnesota Statutes 1982, sections 63.01 to 63.35.

Referred to the Committee on Economic Development and Commerce.

H.F. No. 909: A bill for an act relating to the range association of municipalities and schools; defining its permitted area; amending Minnesota Statutes 1982, section 471.58.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 865, now on the Consent Calendar.

H.F. No. 953: A bill for an act relating to the city of Silver Bay; authorizing the establishment of detached banking facilities.

Referred to the Committee on Economic Development and Commerce.

H.F. No. 987: A bill for an act relating to public utilities; providing for additional investment authority of bond proceeds; amending Minnesota Statutes 1982, section 216B.49, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 926, now on General Orders.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now

adopted, with the exception of the reports on S.F. Nos. 910, 510, 841 and reports pertaining to appointments. The motion prevailed.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 289: A bill for an act relating to education; transferring authority for appointing the commissioner of education from the state board of education to the governor; amending Minnesota Statutes 1982, section 121.16.

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

Page 1, line 15, after "governor" insert "*with the advice and consent of the senate,*"

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

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred

S.F. No. 616: A bill for an act relating to the council for the handicapped; providing for appointment of members to the council; decreasing the number of council members; making the council permanent; clarifying the purposes of committees within the council; describing duties; amending Minnesota Statutes 1982, sections 256.481; and 256.482; repealing Minnesota Statutes 1982, section 256.483.

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

Page 3, line 4, strike the old language and delete "*not*"

Page 3, line 6, strike the period

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

Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred

S.F. No. 180: A bill for an act relating to public utilities; customer deposits; providing an interest rate based on the average prime interest rate; amending Minnesota Statutes 1982, section 325E.02.

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

Page 1, line 18, strike "paid" and insert "*applied during each calendar year*"

Page 1, line 19, strike the first "the"

Page 1, line 19, delete "*average prime*" and insert "*an*"

Page 1, line 19, before the period, insert "*equal to the average of the daily lending rate offered to preferred customers at the largest bank in the 9th Federal Reserve District during the last six months of the preceding calendar*"

year''

Page 1, line 23, strike the period and insert a semicolon

Page 1, delete lines 24 and 25

Page 2, delete lines 1 to 3

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

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

S.F. No. 1032: A bill for an act relating to the city of New Ulm; permitting the establishment of special service districts; providing taxing and other financial authority for New Ulm.

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

Page 5, line 34, after the first "in" insert "*the event that*"

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. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 538: A bill for an act relating to the city of Montevideo; giving it certain powers of a statutory city.

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

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

S.F. No. 910: A bill for an act relating to local government; regulating township levies in Crow Wing County; repealing Laws 1941, chapter 451.

Reports the same back with the recommendation that the bill do pass. Mr. Pogemiller, for Mr. Johnson, D.J., questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

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

S.F. No. 904: A bill for an act relating to transportation; establishing collective rate-making procedure for motor vehicle carriers; amending Minnesota Statutes 1982, section 221.041, by adding a subdivision.

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

Page 1, line 8, delete everything after the period and insert "[221.033] [COLLECTIVE RATE-MAKING.]"

Page 1, delete line 9

Page 1, line 10, delete "*Subd. 3.*"

Page 1, lines 11, 20, and 22, delete "*commission*" and insert "*board*"

Page 1, after line 25, insert:

"Sec. 2. [PUBLIC UTILITIES COMMISSION.]

Prior to the effective date of Laws 1980, chapter 534, as amended by Laws 1981, chapter 357, section 108, the public utilities commission shall perform the duties of the board under section 1."

Amend the title as follows:

Page 1, delete lines 4 and 5 and insert "proposing new law coded in Minnesota Statutes, chapter 221."

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

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

S.F. No. 711: A bill for an act relating to state government; authorizing the commissioner of the department of economic security to adopt permanent or temporary rules; proposing new law coded in Minnesota Statutes, chapter 268; repealing Minnesota Statutes 1982, section 268.12, subdivision 3.

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

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

S.F. No. 927: A bill for an act relating to Independent School District No. 709; providing for withdrawal of clerical workers from civil service; amending Laws 1967, chapter 252, section 2, as amended.

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

Page 1, line 17, delete everything after "*workers*"

Page 1, line 18, delete "*between the district and its employees*"

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

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

S.F. No. 1082: A bill for an act relating to workers' compensation; regulating the assigned risk plan; amending Minnesota Statutes 1982, section 79.251; proposing new law coded in Minnesota Statutes, chapter 79; repealing Minnesota Statutes 1982, section 79.63.

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

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

S.F. No. 375: A bill for an act relating to local government; providing authority for cities and counties to establish and maintain district heating systems; proposing new law coded in Minnesota Statutes, chapter 444.

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

Page 1, line 10, delete “, *except a city of the first class,*”

Page 1, line 20, before the period, insert “*and in any city or part of a city where by resolution the city authorizes the county to exercise all or part of the powers provided for in this act*”

Page 2, line 11, after the comma, insert “*or in the case of cities of the first class, in accordance with the provisions of chapter 435,*”

Page 6, line 16, after “*section*” insert “, *except for cities of the first class, where procedures of chapter 435 will apply*”

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

S.F. No. 973: A bill for an act relating to homesteads; creating an extended forbearance loan guarantee program; authorizing the state to guarantee loans to forestall foreclosures of mortgages and terminations of contracts for deed on certain residential and agricultural homesteads; giving certain powers and duties to the department of agriculture and the Minnesota housing finance agency; creating extended forbearance loan guarantee funds; appropriating money; proposing new law coded as Minnesota Statutes, chapter 583.

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

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

S.F. No. 601: A bill for an act relating to housing; eliminating requirements that housing programs for urban Indians combine appropriated money with funds from other sources whenever possible; amending Minnesota Statutes 1982, section 462A.07, subdivision 15; and Laws 1978, chapter 670, section 3, subdivision 3.

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

Page 1, lines 16 to 18, reinstate the stricken language

Page 1, lines 20 to 22, reinstate the stricken language

Page 1, line 22, before the period, insert “, *except that interest earned on the portion of an appropriation to be expended for Indian housing programs*

in the city of Duluth does not have to be combined with money from other sources''

Page 2, lines 6 to 8, reinstate the stricken language

Page 2, line 8, before the period, insert “, *except that interest earned on the portion of the appropriation to be expended for Indian housing programs in the city of Duluth does not have to be combined with proceeds of bond sales*”

Amend the title as follows:

Page 1, line 2, delete “eliminating” and insert “modifying”

Page 1, line 3, after “Indians” insert “in the city of Duluth”

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

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

S.F. No. 596: A bill for an act establishing an agricultural resource energy loan guaranty program, board, and fund, and the terms of guaranties by the state of project loans in the program; appropriating money, taxes, tax increments, and other governmental charges; authorizing the issuance of state bonds; amending Minnesota Statutes 1982, sections 116B.03, subdivision 1; 290.01, by adding a subdivision; 297A.44, subdivision 1; and 362A.01, subdivision 1; 362A.05; and 473F.02, subdivision 3; proposing new law coded as Minnesota Statutes, chapter 41A; proposing new law coded in Minnesota Statutes, chapter 362A.

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

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

S.F. No. 510: A bill for an act relating to housing; prohibiting certain rent control ordinances in cities, counties, and towns; proposing new law coded in Minnesota Statutes, chapter 471.

Reports the same back with the recommendation that the bill do pass. Ms. Peterson, D.C. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

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

S.F. No. 841: A bill for an act relating to commerce; providing for the testing of the ambient air level of formaldehyde in housing; providing approved testing methods; establishing the limits of liability for builders; amending Minnesota Statutes 1982, section 325F.18, by adding subdivisions; repealing Minnesota Statutes 1982, section 325F.18, subdivision 5.

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 1982, section 325F.18, is amended by adding a subdivision to read:

Subd. 7. [SIGNIFICANT AMBIENT AIR LEVEL.] For the purposes of the liability of a builder of a housing unit under this section, .5 parts of formaldehyde per million parts of air is a significant ambient air level of formaldehyde. Nothing in this section precludes an action by a consumer against the manufacturer of a product that contains urea formaldehyde for personal injuries resulting from the product.

Sec. 2. Minnesota Statutes 1982, section 325F.18, is amended by adding a subdivision to read:

Subd. 8. [APPROVED TESTING METHODS.] The following testing methods are approved:

(1) National Institutes of Occupational Safety and Health (NIOSH) Manual of Analytical Methods, Volume 1, 2nd Edition, NIOSH 77-157-A, 1977, Method Number P&CAM 125, with air samples collected in one percent sodium bisulfite in distilled water;

(2) Diffusional monitors and passive dosimeters may be used and no further testing will be required if the test results are lower than a permitted level to be determined by the commissioner of health.

Sec. 3. Minnesota Statutes 1982, section 325F.18, is amended by adding a subdivision to read:

Subd. 9. [TESTING OF HOUSING UNITS.] No newly constructed housing unit need be tested for a determination of the ambient air level of formaldehyde if the unit does not contain urea formaldehyde containing building materials that emit formaldehyde gas or if a previous test by the builder or seller of a housing unit of similar design, material composition, quantities, and construction revealed an ambient air level less than 0.4 ppm as measured by the NIOSH method. In the case of multifamily units or manufactured homes as defined in sections 327.31 to 327.35, no more than a representative sample of the types of units and materials used, not exceeding five percent of the total number of units, but no less than one unit, need be tested. The units that are not tested are presumed to possess at the date of closing the median ambient air level of formaldehyde of the representative sample of units tested. For the purposes of compliance with rules of the commissioner of health, testing for manufactured homes defined in sections 327.31 to 327.35 may be conducted by the manufacturer prior to the time of sale to the retailer.

Sec. 4. Minnesota Statutes 1982, section 325F.18, is amended by adding a subdivision to read:

Subd. 10. [LIMITATIONS OF LIABILITY.] No civil or criminal liability attaches to a builder or seller under this section under the following circumstances:

(a) to a builder or seller who tests the ambient air level of formaldehyde if the test result is less than .5;

(b) to the builder or seller of a framed house when either the buyer finishes the construction of the home, if the buyer selects the materials used in the

construction, or the buyer selects the material used in the construction of or the components used in a custom built home, provided that in either case the buyer received the warning required under subdivision 1; or

(c) to the original builder subsequent to the remodeling or renovation of a home by the purchaser or any other person if the builder does not participate in the remodeling or renovation.

Sec. 5. [REPEALER.]

Minnesota Statutes 1982, section 325F.18, subdivision 5, is repealed.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day following final enactment."

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

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

S.F. No. 721: A bill for an act relating to Carver County; authorizing the county to finance sewage disposal systems on behalf of cities and towns in the county by the issuance of county general obligation bonds.

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

Page 1, line 8, before "DISPOSAL" insert "COUNTY"

Page 1, line 8, delete "IN CARVER COUNTY"

Page 1, after line 8, insert:

"This act may apply to Carver County and Washington County."

Page 1, line 9, delete "Carver County" and insert "Each county"

Page 1, line 20, delete "Carver"

Page 3, line 17, after "effective" insert "separately for each of the counties of Carver and Washington"

Page 3, line 17, after "by" delete "the" and insert "its"

Page 3, line 18, delete "of Carver County"

Amend the title as follows:

Page 1, line 2, delete "Carver County" and insert "local government"

Page 1, line 2, delete "the county" and insert "Carver and Washington counties"

Page 1, line 4, delete the first "county" and insert "counties"

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

Mr. Hughes from the Committee on Elections and Ethics, to which was

referred

S.F. No. 934: A bill for an act relating to elections; authorizing the use of electronic voting systems for absentee voting under certain circumstances; authorizing the secretary of state to promulgate rules; amending Minnesota Statutes 1982, sections 203B.08, by adding subdivisions; 203B.11; and 203B.12, subdivision 5; proposing new law coded in Minnesota Statutes, chapter 203B.

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

Page 2, line 28, reinstate the stricken language and before "*ballot*" insert "*or*"

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

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

H.F. No. 653: A bill for an act relating to elections; making numerous procedural changes in the election law; removing or clarifying obsolete and inappropriate language; rearranging certain provisions; amending Minnesota Statutes 1982, sections 201.061, subdivision 3; 203B.11; 203B.12, subdivision 2; 204B.31; 204B.33; 204B.36, subdivision 2; 204C.08, subdivision 1; 204C.10, subdivision 1; 204C.12, subdivisions 3 and 4; 204C.24, subdivision 1; 204C.25; 204C.35; 204D.11, subdivision 5; 204D.13, subdivision 3; 205.17, subdivisions 3 and 4; 206.11; 206.19, subdivision 1; 210A.39; proposing new law coded in Minnesota Statutes, chapter 204C; repealing Minnesota Statutes 1982, section 204B.06, subdivision 3.

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

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 799: A bill for an act relating to financial institutions; electronic financial terminals; regulating the use of terminals by financial institutions located outside the state; amending Minnesota Statutes 1982, section 47.64, subdivision 6.

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

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 969: A bill for an act relating to social and charitable organizations; including planning and developing costs as fundraising costs; amending Minnesota Statutes 1982, section 309.50, subdivision 12.

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

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 892: A bill for an act relating to insurance; authorizing the establishment of joint self-insurance employee health plans; providing administrative, trust, bonding, investment, and reporting requirements; establishing a quarterly revenue fee; proposing new law coded as Minnesota Statutes, chapter 62H.

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

Page 1, line 12, delete "two" and insert "three"

Page 1, line 16, delete "100" and insert "250"

Page 1, line 24, after the period, insert "*The reinsurer must bear the risk of coverage for any member of the pool who becomes insolvent with outstanding contribution due.*"

Page 2, line 7, after the period, insert "*Any reinsurance plan must be non-cancellable for a minimum term of two years.*"

Page 2, line 17, delete "must agree to comply with all"

Page 2, line 18, delete "*Minnesota laws applicable to employee benefit plans*" and insert "*is subject to the requirements of chapter 62A and the provisions of sections 72A.17 to 72A.325*"

Page 2, line 20, delete "three" and insert "two"

Page 3, line 12, before "The" insert "*The commissioner of insurance shall promulgate appropriate rules to insure the solvency of all self-insured plans subject to this chapter.*"

Page 3, after line 28, insert:

"Sec. 8. [EFFECTIVE DATE.]

This act is effective January 1, 1984."

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

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 996: A bill for an act relating to financial institutions; authorizing the approval of applications for bank charters and detached facilities; establishing emergency procedures to prevent loss of banking services in a community as a result of a failing bank; amending Minnesota Statutes 1982, section 45.05; proposing new law coded in Minnesota Statutes, chapter 47.

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

Page 2, after line 8, insert:

"Sec. 3. [EFFECTIVE DATE.]

This act is effective the day after final enactment."

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

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1106: A bill for an act relating to insurance; health and accident; providing group coverage for handicapped children; proposing new law coded in Minnesota Statutes, chapter 62A.

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

Page 1, line 7, delete "CHILDREN" and insert "DEPENDENTS"

Page 1, line 12, delete "*children*" and insert "*dependents*" and delete "*named beneficiary*" and insert "*insured, subscriber, or enrollee*"

Amend the title as follows:

Page 1, line 3, delete "children" and insert "dependents"

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

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1052: A bill for an act relating to insurance; correcting certain errors; removing certain deficiencies and ambiguities; correcting certain omissions; expanding certain insurers' investment authority; providing standards for application or reporting requirements; authorizing the commissioner to adopt rules; providing for miscellaneous changes and clarifications; amending Minnesota Statutes 1982, sections 60A.11, subdivisions 9, 10, 14, 18, 20, 21, 23, and 24; 60A.111, subdivision 2, and by adding subdivisions; 61A.28, subdivisions 3, 6, and 12; 61A.29, subdivision 2; 61A.31, subdivision 3; repealing Minnesota Statutes 1982, sections 60A.11, subdivisions 5a, 5b, and 7; and 60A.111, subdivision 4.

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

Page 5, line 23, delete "*national association*" and insert "*National Association*"

Page 5, line 24, delete "*insurance commissioners*" and insert "*Insurance Commissioners*"

Page 5, line 24, delete "*is*" and insert "*as*"

Page 10, line 5, delete "*if*" and insert a period

Page 10, line 5, after the stricken "*shall*" insert "*must*" and reinstate the stricken "*dispose*" and delete "*disposes*"

Page 10, line 24, after "*of*" insert "*the insurance company's*"

Page 12, line 33, after the first "*company*" insert "*system*"

Page 21, line 34, delete "*such*" and insert "*these*"

Page 23, line 14, delete "sections 60A.11, subdivisions 5a,"

Page 23, line 15, delete "5b, and 7; and" and insert "section"

Page 23, line 15, delete "are" and insert "is"

Amend the title as follows:

Page 1, line 14, delete "sections 60A.11, subdivisions 5a, 5b, and 7; and" and insert "section"

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

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1068: A bill for an act relating to economic development; creating the world trade center commission; appropriating money.

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

Page 1, lines 9 and 10, delete "two" and insert "three"

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

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 750: A bill for an act relating to economic development; creating the foreign trade agency to promote state economic growth; appropriating money; and proposing new law coded in Minnesota Statutes, chapter 116J.

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

Delete everything after the enacting clause and insert:

"Section 1. [FINDINGS.]

The legislature of the state of Minnesota finds that there is a potential for state economic growth in the area of international trading of Minnesota goods and services; that in particular small- and medium-sized export companies need financial assistance and marketing information; that it is in the best interests of the state and within the public purpose that the state take a more active part in developing and assisting export trade; and that for the state to become involved in foreign trade will stimulate the state economy and provide needed employment for persons in Minnesota.

Sec. 2. [45.20] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 2 to 6 the following terms have the meanings given them.

Subd. 2. [AGENCY.] "Agency" means the Minnesota export agency.

Subd. 3. [OFFICE.] "Office" means the export information office.

Subd. 4. [PRE-EXPORT.] "Pre-export" means that period of time be-

tween the formation of a sale and the actual shipment of the goods.

Sec. 3. [45.21] [FOREIGN TRADE AGENCY.]

Subdivision 1. [CREATION; PURPOSE.] There is created the state foreign trade agency within the department of commerce. Its purpose is to promote state economic development by encouraging and supporting small- and medium-sized exporting companies in their efforts to export goods and services. There shall be two divisions in the foreign trade agency known as the export information office and the Minnesota export finance authority.

Sec. 4. [45.22] [EXECUTIVE DIRECTOR; STAFF.]

Subdivision 1. [APPOINTMENT.] The governor shall appoint an executive director of the foreign trade agency. The executive director shall be knowledgeable and responsive to both public and private sector concerns relating to foreign trade and economic development. The executive director shall provide staff who shall serve in the classified service of the state civil service and who shall be assigned to work for the foreign trade agency on a continuing basis. The foreign trade agency may request staff support from all other agencies of state government as needed for the execution of its responsibilities. The executive director may hire consultants as needed who shall serve at his or her pleasure in the unclassified service of the state civil service. Other matters relating to the executive director are governed by section 15.06.

Subd. 2. [DUTIES.] The executive director shall administer the foreign trade agency. In addition to other duties delegated by the department of commerce, the executive director shall:

(1) assist public and private universities or colleges to develop undergraduate or graduate level education programs to train persons in the knowledge of export trading;

(2) coordinate the current international trading activities of various state and local agencies and organizations; and

(3) to the extent possible, be supportive to the state's tourism promotion efforts.

Sec. 5. [45.23] [EXPORT INFORMATION OFFICE.]

Subdivision 1. [PURPOSE; DUTIES.] The export information office of the foreign trade agency shall:

(1) create a worldwide foreign communication network to coordinate foreign trade information and activities;

(2) compile foreign trade information available from, among other places, the United States Department of Commerce and private sources, and produce readily consumable marketing information;

(3) create a program to assess the potential of international investment in Minnesota and promote international investment which results in the infusion of new capital and the creation of new jobs to the benefit of the state;

(4) disseminate to Minnesota businesses, upon direction of the advisory board, collected market information that relates to potential exporting, and to export trading companies, export management companies, and other in-

terested persons; and

(5) prepare a list of firms that provide export support services and disseminate the list to potential exporters to assist their endeavors.

Subd. 2. [ADVISORY BOARD.] (a) The governor shall appoint an advisory board to establish policy and program goals for the office. The board shall ensure that the two functions of the information division, data collection, and marketing outreach, are adequately performed.

(b) There shall be 15 members of the advisory board appointed by the governor with the advice and consent of the senate. The board shall include the director of the office and board members from the following areas and in the following numbers:

(1) two members from export trading or management companies;

(2) one member with international finance experience;

(3) four members from small- or medium-sized manufacturing processing companies;

(4) one member with international transportation experience;

(5) two members from state government;

(6) two members with knowledge of international law; and

(7) two members from an agriculture promotion council.

Terms, compensation, and removal of board members are governed by section 15.059.

Subd. 3. [DIRECTOR.] The governor shall appoint a director of the export information office. Matters relating to the director that are not specifically addressed in this section are governed by section 15.06.

Sec. 6. [45.24] [MINNESOTA EXPORT FINANCE AUTHORITY.]

Subdivision 1. [CREATION; PURPOSE.] The Minnesota export finance authority is created to aid and facilitate the financing of exports from the state of Minnesota. The finance authority powers shall be used exclusively to meet the pre-export credit needs of Minnesota exporters.

Subd. 2. [POWERS.] The Minnesota export finance authority has the power and authority to perform the following functions and may:

(1) insure, co-insure, and guarantee against commercial pre-export credit risks;

(2) sue and be sued;

(3) enter into agreements and transactions with any person, partnership, or corporation, both foreign and domestic, state, federal, and foreign governments and governmental agencies;

(4) acquire and hold personal and real property pursuant to the provisions of insurance and the granting of guarantees;

(5) pledge and appropriate collateral;

(6) charge premiums, interest, and fees;

(7) *provide administrative, consultative, and technical services to assist in the financing of exports;*

(8) *prepare and receive reports regarding credit, insurance, and guarantees with respect to export finance;*

(9) *perform all necessary and appropriate operations, administration, processing, and marketing functions related to the authority's functions; and*

(10) *adopt rules necessary to carry out responsibilities under this act.*

Subd. 3. [CAPITAL.] The Minnesota export finance authority shall have working capital in the amount of \$2,000,000 appropriated by the state from the general fund.

Subd. 4. [PRESIDENT AND BOARD OF DIRECTORS.] The governor shall appoint, upon the advice and consent of the senate, a president of the finance authority. The governor shall also appoint six members to the authority's board of directors. The six members shall be as follows: three members with experience in international finance; two private exporters; and one attorney with experience in international law. The president of the finance authority shall also serve on the board. Members of the board shall be compensated at the rate of \$100 per day spent on board activities, when authorized by the board, plus expenses in the same manner and amount as authorized by the commissioner's plan adopted pursuant to section 43A.18, subdivision 2. Membership terms and removals are governed by section 15.0575. Board members shall perform their duties in a nonselfserving manner and in compliance with section 10A.07.

Subd. 5. [ANNUAL REPORT.] The president and board of directors shall submit to the governor an annual report on the activities of the finance authority.

Subd. 6. [LIABILITY LIMITATION.] The Minnesota export finance authority may not have at any one time net liabilities greater than four times its capital and reserves.

Subd. 7. [INSURANCE AND GUARANTEES.] The Minnesota export finance authority may provide insurance and guarantees to the following extent:

(1) the finance authority may not provide to any one person insurance or guarantees in excess of \$250,000;

(2) the policy of the agency is to provide insurance and guarantees for export credits that would otherwise not be made and that the president and the board deem to represent a reasonable risk and have a sufficient likelihood of repayment;

(3) the finance authority shall contract with, among others, the Foreign Credit Insurance Association, the U.S. Export-Import Bank, and private insurers to secure reinsurance for country and commercial risks for the finance authority's insurance program;

(4) losses incurred by the finance authority that relate to its insurance or guarantee activities shall be solely borne by the finance authority to the extent of its capital and reserves.

Sec. 7. [APPROPRIATION.]

The sum of \$..... is appropriated from the general fund to the foreign trade agency for the purpose of fulfilling the duties described in This appropriation remains available until expended.

Sec. 8. [EFFECTIVE DATE.]

This act is effective”

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

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 679: A bill for an act relating to redevelopment; authorizing the financing of redevelopment projects by the iron range resources and rehabilitation board; amending Minnesota Statutes 1982, section 298.292; proposing new law coded in Minnesota Statutes, chapter 298.

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

Pages 1 and 2, delete subdivision 1 and insert:

“Subdivision 1. [PURPOSE; GRANT OF AUTHORITY.] In order to accomplish the legislative purposes specified in chapters 362A, 462C, and 474, within tax relief areas as defined in section 273.134, the commissioner of iron range resources and rehabilitation may exercise the following powers: (1) all powers conferred upon a rural development financing authority under sections 362A.01 to 362A.05; (2) all powers conferred upon a city under chapter 462C, subject to compliance with the provisions of section 462C.09; (3) all powers conferred upon a municipality or a redevelopment agency under chapter 474; (4) all powers provided by chapter 362A to further any of the purposes and objectives of chapters 462C and 474; and (5) all powers conferred upon a municipality or an authority under sections 273.73 to 273.76, section 273.77, except paragraph (a) thereof, and section 273.78, subject to compliance with the provisions of section 273.74, subdivisions 1, 2, and 3; provided that any tax increments derived by the commissioner from the exercise of this authority may be used only to finance or pay premiums or fees for insurance, letters of credit, or other contracts guaranteeing the payment when due of net rentals under a project lease or the payment of principal and interest due on or repurchase of bonds issued to finance a project or program, to accumulate and maintain reserves securing the payment when due on bonds issued to finance a project or program, or to provide an interest rate reduction program pursuant to section 462.445, subdivision 10. Tax increments and earnings thereon remaining in any bond reserve account after payment or discharge of any bonds secured thereby shall be used within one year thereafter in furtherance of this section or returned to the county auditor of the county in which the tax increment financing district is located. If returned to the county auditor, the county auditor shall immediately allocate the amount among all government units which would have shared therein had the amount been received as part of the other ad valorem taxes on property in the district most recently paid, in the same proportions as other taxes were distributed, and shall immediately distribute it to the government units in accordance with the allocation.”

Page 2, line 29, delete "by" and insert "under"

Page 2, line 30, delete "without approval" and insert ", and no obligations shall be issued and no tax increments shall be expended for a project authorized under this section until the project has been approved"

Page 2, after line 30, insert:

"Subd. 4. [OBLIGATIONS NOT STATE DEBT.] Bonds and other obligations issued by the commissioner pursuant to this section are not general obligations of the state of Minnesota. The full faith and credit and taxing powers of the state are not and may not be pledged for the payment of these bonds or other obligations, and no person has the right to compel the levy of any state tax for their payment or to compel the appropriation of any moneys of the state for their payment except as specifically provided herein. These bonds and obligations shall be payable solely from the property and moneys derived by the commissioner pursuant to the authority granted in this section that the commissioner pledges to their payment. All these bonds or other obligations must contain the provisions of this subdivision or words to the same effect on their face.

Subd. 5. [APPROPRIATION OF MONEYS.] There is appropriated to the commissioner for the purpose of carrying out any project or program undertaken pursuant to this section, all property and moneys derived by the commissioner through the exercise of the powers conferred by this section. The commissioner may pledge all the property or moneys for the security or payment of bonds or other obligations issued or entered into by him for this purpose."

Amend the title as follows:

Page 1, line 2, delete "financing"

Page 1, delete line 3

Page 1, line 4, delete "and rehabilitation board" and insert "commissioner of iron range resources and rehabilitation to exercise certain powers and to issue bonds to finance certain projects and programs in tax relief areas; appropriating money"

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

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 489: 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 1982, sections 60A.02, subdivision 7; 60A.03, subdivision 6; 60A.17, subdivisions 1 and 6c; and 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 25, insert:

“Sec. 2. Minnesota Statutes 1982, section 60A.03, subdivision 5, is amended to read:

Subd. 5. [EXAMINATION FEES AND EXPENSES.] When any visitation, examination, or appraisal is made by *order of* the commissioner, an assistant, an actuary other than a consulting actuary appointed under subdivision 3, clause (3), an audit director, a supervisor of analysts, or a certified public accountant retained by the insurance division, the company being examined, visited or appraised, including fraternal, township mutuals and reciprocal exchanges, shall pay to the division of insurance \$130 for each day necessarily spent by that person in such activities. When the visitation, examination or appraisal is made by the principal auditor, senior auditor or rate analyst regularly employed in the division of insurance, the company being examined, visited or appraised, including fraternal, township mutuals, and reciprocal exchanges, shall pay to the division \$80 for each day necessarily occupied by that person in such activities. When the visitation, examination, or appraisal is made, or engaged in, by any other person regularly employed in the division of insurance, the company being examined, visited or appraised, including fraternal, township mutuals and reciprocal exchanges, shall pay to the division of insurance the sum of \$65 for each day necessarily spent by that person in such activities. In addition to the fees specified in this section, the company being examined, visited or appraised shall also pay to the division of insurance the necessary expenses of the persons engaged in the examination, visit or appraisal the company being examined, visited, or appraised, including fraternal, township mutuals, reciprocal exchanges, nonprofit service plan corporations, health maintenance organizations, vendors of risk management services licensed under section 60A.23, or self insurance plans or pools established under section 176.181 or 471.982, shall pay to the insurance division the necessary expenses of the persons engaged in the examination, visit, or appraisal plus the per diem salary fees of the employees of the division of insurance who are conducting or participating in the examination, visitation, or appraisal. The per diem salary fees must be determined by the commissioner based upon the approved examination fee schedules of the National Association of Insurance Commissioners. All of these fees and expenses shall must be paid into the general insurance division revolving fund. The necessary expenses of the persons engaged in the examination, visit or appraisal shall be paid by the commissioner of finance at rates prescribed for state employees.

Sec. 3. Minnesota Statutes 1982, section 60A.14, subdivision 1, is amended to read:

Subdivision 1. [FEES OTHER THAN EXAMINATION FEES.] In addition to the fees and charges provided for examinations, the following fees shall must be paid to the commissioner for deposit in the general fund:

(a) by township mutual fire insurance companies:

- (1) for filing certificate of incorporation \$25 and amendments thereto, \$10;
- (2) for filing annual statements, \$15;
- (3) for each annual certificate of authority, \$15;

- (4) for filing bylaws \$25 and amendments thereto, \$10.
- (b) by other domestic and foreign companies including fraternal and reciprocal exchanges:
 - (1) for filing certified copy of certificate of articles of incorporation, \$50;
 - (2) for filing annual statement, \$30;
 - (3) for filing certified copy of amendment to certificate or articles of incorporation, \$50;
 - (4) for filing bylaws, \$25 or amendments thereto, \$10;
 - (5) for each company's certificate of authority, ~~\$30~~ \$40, annually.
- (c) the following general fees apply:
 - (1) for each certificate, including certified copy of certificate of authority, renewal, valuation of life policies, corporate condition or qualification, \$5;
 - (2) for each copy of paper on file in the commissioner's office 50 cents per page, and \$2.50 for certifying the same;
 - (3) for license to procure insurance in unadmitted foreign companies, ~~\$10~~ \$40;
 - (4) for receiving and forwarding each notice, proof of loss, summons, complaint or other process served upon the commissioner of insurance, as attorney for service of process upon any non-resident agent or insurance company, including reciprocal exchanges, ~~\$5~~ \$15, which amount ~~shall~~ *must* be paid by the party serving the ~~same~~ *notice* and may be taxed as other costs in the action;
 - (5) for valuing the policies of life insurance companies, one cent per one thousand dollars of insurance so valued. The commissioner may, in lieu of a valuation of the policies of any foreign life insurance company admitted, or applying for admission, to do business in this state, accept a certificate of valuation from the company's own actuary or from the commissioner of insurance of the state or territory in which the company is domiciled;
 - (6) for receiving and filing certificates of policies by the company's actuary, or by the commissioner of insurance of any other state or territory, \$50;
 - (7) for issuing *a an initial license to an individual agent*, ~~\$15~~ \$20, *for issuing an initial agent's license to a partnership or corporation*, \$50, and for issuing an amended or duplicate license, ~~\$3~~ \$25;
 - (8) for an application, examination, or re-examination for one class of license, \$15 and an additional \$15 for an application, examination, or re-examination for the second class of license;
 - (9) for each appointment of an agent filed with the commissioner, a domestic insurer shall remit \$5 ~~annually~~ and all other insurers shall remit \$3 ~~annually~~;
 - (10) *for renewing an individual agent's license*, \$20, *and for renewing a license issued to a corporation or partnership*, \$50;
 - (11) *for issuing and renewing a surplus lines agent's license*, \$500."

Page 3, lines 25, 26, and 27, delete the new language

Page 4, after line 16, insert:

“Sec. 6. Minnesota Statutes 1982, section 60A.17, is amended by adding a subdivision to read:

Subd. 1d. [RENEWAL FEE.] Each agent licensed pursuant to this section shall annually pay in accordance with the procedure adopted by the commissioner a renewal fee as prescribed by section 60A.14, subdivision 1, paragraph (c), clause (10).”

Page 5, line 18, delete “; or”

Page 5, lines 19 and 20, delete the new language

Page 7, line 14, after the semicolon, insert “or”

Page 7, delete lines 15 to 20

Page 7, line 21, after “health” insert “and property and casualty”

Page 7, line 23, delete “and” and insert a comma and after “health” insert “and credit property”

Reletter the clauses in sequence

Page 10, line 9, delete “1984” and insert “1985”

Page 10, line 10, delete “1982,”

Page 10, line 11, delete “or” and after “1984” insert “, or 1985”

Page 10, line 21, after “extension” insert “not to exceed 90 days,”

Page 10, line 27, delete “a”

Page 10, line 28, delete “reasonable time determined by the commissioner” and insert “30 days”

Page 11, line 36, delete “issued,” and delete the second comma

Page 12, line 3, delete the first comma and insert “or” and delete “, or”

Page 12, line 4, delete “restricted status license”

Page 12, after line 4, insert:

“If a licensed person fails to file a certificate of compliance or a request for a waiver or extension of requirements with the commissioner within 30 days of the date on which the person is required to report, the commissioner may issue an order summarily suspending that person’s license to act or assume to act as an insurance agent in this state. The order is effective upon service on the person by first class mail at his last known address on file with the commissioner. A person whose license has been summarily suspended under this subdivision may, within 15 days of the date of the order, request a hearing to be conducted within the provisions of chapter 14. The hearing must be held within 15 days of the commissioner’s receipt of the request, but the licensee may agree to an extension. The summary suspension must remain in effect pending the outcome of the hearing.”

Page 12, after line 11, insert:

“Sec. 9. Minnesota Statutes 1982, section 60A.198, subdivision 3, is

amended to read:

Subd. 3. [PROCEDURE FOR OBTAINING LICENSE.] A person licensed as a resident agent in this state pursuant to other law may obtain a surplus lines license by doing the following:

(a) Filing an application in the form and with the information the commissioner may reasonably require to determine the ability of the applicant to act in accordance with sections 60A.195 to 60A.209;

(b) Maintaining a resident agent license in this state;

(c) Delivering to the commissioner a financial guarantee bond from a surety acceptable to the commissioner for the greater of the following:

(1) \$5,000; or

(2) The largest semiannual surplus lines premium tax liability incurred by him in the immediately preceding five years; and

(d) Agreeing to file with the commissioner no later than February 15 and August 15 annually, a sworn statement of the charges for insurance procured or placed and the amounts returned on the insurance canceled under the license for the preceding six month period ending December 31 and June 30 respectively, and at the time of the filing of this statement, paying the commissioner a tax on premiums equal to three percent of the total written premiums less cancellations; and

(e) annually paying a fee as prescribed by section 60A.14, subdivision 1, paragraph (c), clause (11).

Sec. 10. Minnesota Statutes 1982, section 60A.23, subdivision 8, is amended to read:

Subd. 8. [SELF INSURANCE PLAN ADMINISTRATORS; VENDORS OF RISK MANAGEMENT SERVICES.] (1) [SCOPE.] This subdivision applies to any vendor of risk management services and to any entity which administers, for compensation, a self insurance plan. This subdivision shall not apply (a) to an insurance company authorized to transact insurance in this state, as defined by section 60A.06, subdivision 1, clauses (4) and (5); (b) to a service plan corporation, as defined by section 62C.02, subdivision 6; (c) to a health maintenance organization, as defined by section 62D.02, subdivision 4; (d) to an employer directly operating a self insurance plan for its employees' benefits ~~or (e) to a nonprofit insurance trust administered and operated for the benefit of employer participants and established prior to January 1, 1979.~~

(2) [DEFINITIONS.] For purposes of this subdivision the following terms have the meanings given them.

(a) "Administering a self insurance plan" means (i) processing, reviewing or paying claims, (ii) establishing or operating funds and accounts, or (iii) otherwise providing necessary administrative services in connection with the operation of a self insurance plan.

(b) "Employer" means an employer, as defined by section 62E.02, subdivision 2.

(c) "Entity" means any association, corporation, partnership, sole pro-

prietorship, trust, or other business entity engaged in or transacting business in this state.

(d) "Self insurance plan" means a plan providing life, medical or hospital care, accident, sickness or disability insurance, as an employee fringe benefit, *or a plan providing liability coverage for any other risk or hazard*, which is not directly insured or provided by a licensed insurer, service plan corporation, or health maintenance organization.

(e) "Vendor of risk management services" means an entity providing for compensation actuarial, financial management, accounting, legal or other services for the purpose of designing and establishing a self insurance plan for an employer.

(3) [LICENSE.] No vendor of risk management services or entity administering a self insurance plan may transact ~~such~~ *this* business in this state unless it is licensed to do so by the commissioner. An applicant for a license shall state in writing the type of activities it seeks authorization to engage in and the type of services it seeks authorization to provide. The license shall be granted only when the commissioner is satisfied that the entity possesses the necessary organization, background, expertise, and financial integrity to supply the services sought to be offered. The commissioner may issue a license subject to restrictions or limitations upon the authorization, including the type of services which may be supplied or the activities which may be engaged in. The *initial* license fee shall be ~~\$400~~ \$2,000. *The fee for renewal of a license shall be \$1,000.* All licenses are for a period of ~~two years~~ *one year*.

(4) [REGULATORY RESTRICTIONS; POWERS OF THE COMMISSIONER.] To assure that self insurance plans are financially solvent, are administered in a fair and equitable fashion, and are processing claims and paying benefits in a prompt, fair, and honest manner, vendors of risk management services and entities administering self insurance plans are subject to the supervision and examination by the commissioner. Vendors of risk management services, entities administering self insurance plans, and self insurance plans established or operated by them are subject to the trade practice requirements of sections 72A.19 to 72A.30.

(5) [RULE MAKING AUTHORITY.] To carry out the purposes of this subdivision, the commissioner may promulgate administrative rules, including emergency rules, pursuant to sections 14.01 to 14.70. These rules may:

(a) Establish reporting requirements for administrators of self insurance plans;

(b) Establish standards and guidelines to assure the adequacy of financing, reinsuring, and administration of self insurance plans;

(c) Establish bonding requirements or other provisions assuring the financial integrity of entities administering self insurance plans; or

(d) Establish other reasonable requirements to further the purposes of this subdivision.

Sec. 11. Minnesota Statutes 1982, section 471.982, subdivision 2, is amended to read:

Subd. 2. The commissioner of insurance is authorized to promulgate administrative rules, including emergency rules pursuant to sections 14.01 to 14.70. These rules may provide standards or guidelines governing the formation, operation, administration, dissolution of self insurance pools, and other reasonable requirements to further the purpose of this section and shall at a minimum require the following:

(a) All participants in the pool are jointly and severally liable for all claims and expenses of the pool;

(b) Each pool shall contract with a service company licensed by the commissioner to provide or contract for all administrative services required by the pool. No vendor of risk management services or entity administering a self insurance plan under this section may transact such business in this state unless it is licensed to do so by the commissioner. ~~An applicant for a license shall state in writing the type of activities it seeks authorization to engage in and the type of services it seeks authorization to provide. The license shall be granted only when the commissioner is satisfied that the entity possesses the necessary organization, background, expertise, and financial integrity to supply the services sought to be offered. The commissioner may issue a license subject to restrictions or limitations upon the authorization, including the type of services which may be supplied or the activities which may be engaged in. The license fee shall be \$100. All licenses shall be for a period of two years pursuant to section 60A.23, subdivision 8;~~

(c) The service company has sole responsibility for the settlement of all claims against the pool or its members for which the pool may provide indemnification;

(d) A minimum premium volume for each pool shall be established. The minimum premium volume may differ because of the kinds of coverage provided, and the limits of liability for the coverage;

(e) All premiums or other assessments due to the pool from members shall be payable prior to the period for which coverage is being provided, or at equal intervals throughout the period;

(f) Premiums shall either be established by an actuary approved by the commissioner or shall be premiums filed by a licensed rate service organization with reductions permitted solely for administrative or premium tax savings;

(g) The commissioner may require each pool to purchase excess insurance above certain limits and in a particular form. The limits or form of the excess insurance may differ based on the kinds of coverage offered by a pool, the limits of liability of the coverage, and the revenues available to pool members for the payment of premiums or assessments;

(h) Each pool shall be audited annually by a certified public accountant;

(i) Limitations on the payment of dividends to pool members may be established as necessary to assure the solvency of the pool;

(j) No participant may withdraw from a pool for a period of at least three years after its initial entry into the pool;

(k) The amount of any liabilities in excess of assets shall be assessed to

members of the pool within 30 days after a deficiency is identified and shall be payable by the member within 90 days;

(l) The investment policies of the pool shall be governed by the laws governing investments by cities pursuant to section 475.66;

(m) Pools shall be subject to the standards of unfair methods of competition and unfair or deceptive acts or practices established in chapter 72A;

(n) Other requirements that are necessary to protect the solvency of the pool, the rights and privileges of claimants against the pool, and citizens of the members of the pool shall be included in the rules."

Page 12, line 13, delete ", 2, 4, and 5" and insert "; 2; 7; 8"

Page 12, line 13, after "7" insert a comma and after "12" insert "; 9; 10; and 11"

Page 12, line 14, after the period, insert "*Sections 3, 4, and 6 are effective July 1, 1983.*"

Page 12, lines 14 and 16, delete "5" and insert "8"

Page 12, line 15, after "9" insert a comma

Page 12, line 15, delete "3" and insert "5"

Page 12, line 16, after "11" insert a comma

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after the semicolon, insert " providing for the payment of examination fees and expenses of the insurance division; providing license and renewal fees for agents; regulating self-insurance plans and pools;"

Page 1, line 10, delete "6" and insert "5" and before "60A.17" insert "60A.14, subdivision 1;"

Page 1, line 11, after "6c" insert ", and by adding a subdivision"

Page 1, line 11, after the semicolon, insert "60A.198, subdivision 3; 60A.23, subdivision 8; 471.982, subdivision 2;"

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

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred

S.F. No. 607: A bill for an act relating to state employees; authorizing the deduction from salaries or wages of sums of money designated by them for certain combined charitable funds; amending Minnesota Statutes 1982, section 15.375, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 309; repealing Minnesota Statutes 1982, section 15.375, subdivision 1.

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

Page 2, line 6, delete "*approved by*" and insert "*registered with*"

Page 2, line 25, delete "on forms provided by the commissioner"

Page 2, line 30, delete "The"

Page 2, delete lines 31 to 35 and insert "A registered combined charitable organization shall disclose in its solicitation and its annual report filed under section 309.53:

(a) Gross dollars received in contributions in the prior year;

(b) Names of and amount of money distributed to each charitable agency by the combined charitable organization;

(c) Percentage of gross dollars contributed which was directly received by the charitable agencies; and

(d) Projected percentage of the contribution to be received by the charitable agencies in the year for which the solicitation is being made.

If participating charitable agencies are required to pay any fees to the combined charitable organization, it shall also be disclosed in the solicitation and annual report. In the annual report the combined charitable organization shall include a list of charitable agencies to which donors specifically designated funds, and the amount designated to each agency."

Page 3, line 5, delete "approve" and insert "register"

Page 3, line 5, delete "disapprove" and insert "not register"

Page 3, line 6, delete everything after the period

Page 3, delete line 7

Page 3, line 8, delete "section."

Page 3, delete lines 23 and 24

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

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 156: A bill for an act relating to education; authorizing allowable service years to be used for the teacher early retirement incentive program; amending Minnesota Statutes 1982, section 125.611, subdivision 1.

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

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

S.F. No. 917: A bill for an act relating to the city of Bloomington; permitting the establishment of special service districts; providing taxing and other financial authority for Bloomington.

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

Page 1, line 10, delete the second "city" and insert "cities" and after

“Bloomington” insert “and Edina”

Page 5, line 33, after the first “in” insert “the event that”

Page 8, line 31, after “effective” insert “separately for each city”

Page 8, line 33, after the first “of” insert “each of” and delete “city” and insert “cities” and after “Bloomington” insert “and Edina”

Amend the title as follows:

Page 1, line 2, delete “city” and insert “cities” and after “Bloomington” insert “and Edina”

Page 1, line 4, after “Bloomington” insert “and Edina”

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. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 824: A bill for an act relating to the city of Minneapolis; abolishing the office of comptroller-treasurer in the city of Minneapolis.

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

Page 1, after line 10, insert:

“Sec. 2. [REORGANIZATION OF DUTIES.]

Subdivision 1. The city council of Minneapolis shall by ordinance initiate and direct any reorganization, consolidation, or delegation of the functions, duties, and responsibilities of the comptroller-treasurer, and other fiscal management functions which the city may exercise, except the establishment and functions of the office of the budget as provided in chapter 5, section 8, of the Minneapolis city charter, and may make other administrative changes as deemed necessary for the purpose of promoting efficiency in city government.

Subd. 2. The city council by ordinance shall designate the title of the division or department and establish the method of appointing the finance officer to head the division or department assuming the reorganized duties and functions. The finance officer shall be in the unclassified service of the city. If the person appointed to the position is a member of the classified service of the city of Minneapolis, the appointee shall be deemed to be on leave of absence during the person's tenure in the appointive position, and upon the termination of the service shall be returned to the person's permanent civil service classification. If no vacancy is available in the person's permanent civil service classified position, seniority shall prevail and the person most recently certified to the position shall be returned to the permanent civil service position held by the person prior to the certification.

Subd. 3. The finance officer shall continue to provide the function of treasurer for the various boards and commissions served by the previous comptroller-treasurer but shall not serve as a member of the boards and commissions.

Subd. 4. The city council by ordinance shall provide for an independent internal audit of the financial records which may be done by an independent agency of the city, or otherwise.

Sec. 3. [MEMBERSHIP ON BOARD OF ESTIMATE AND TAXATION.]

Notwithstanding the provisions of the city charter or any other law to the contrary, membership on the board of estimate and taxation previously held by the comptroller-treasurer shall be held by either the president of the city council or a citizen of the city, trained and experienced in finance or accounting, to be selected in the manner adopted by ordinance by the city council.

Sec. 4. [MAYOR'S VETO.]

Any ordinance passed pursuant to section 2 or 3 shall be subject to chapter 3, section 1, of the Minneapolis city charter.

Sec. 5. Minnesota Statutes 1982, section 422A.02, is amended to read:

422A.02 [RETIREMENT BOARD; MEMBERS.]

A retirement board of seven members is hereby constituted which shall consist of the following:

(1) Mayor, or a designee selected by the mayor;

(2) ~~The city comptroller-treasurer;~~

(3) One member of the city council selected by the council; and

~~(4) Four~~ (3) Five legally qualified voters to be chosen by the employees as defined in members of the retirement fund created by sections 422A.01 to 422A.25 who are contributors to the retirement fund created by sections 422A.01 to 422A.25 at least two of whom shall be retired members. The employees members may form an association for that purpose and the employing authorities are authorized to make payroll deductions for the payment of dues to the association. The persons selected shall serve for staggered terms of ~~two~~ three years from the first of the next succeeding January after their election, and until their successors are duly elected. The selection shall be made by the employees members of the association during the first week of December of each year. Vacancies occurring by death, resignation, or removal of representatives shall be filled by representatives chosen by the employees members of the association.

Sec. 6. Minnesota Statutes 1982, section 422A.03, subdivision 3, is amended to read:

Subd. 3. At the regular meeting in January each year, the board shall elect from among its members a president, a vice president, and a ~~secretary~~ secretary-treasurer, who shall hold office for one year or until successors have been elected and qualified. ~~The city comptroller-treasurer shall serve as treasurer of the board.~~ The president shall preside at all meetings at which he is present. In the absence of the president the vice president shall preside and have all the powers of the president while acting as such. The recording secretary shall keep a record of all proceedings of the board, which shall be open to public inspection. At least one of the officers of the board shall be one of the representatives elected by the employees of the city to the

board.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after “Minneapolis” insert “; authorizing the reorganization, reallocation, consolidation, and delegation of the functions of the office; restructuring the board of estimate and taxation in the city of Minneapolis; changing the membership and terms of members of the retirement board; amending Minnesota Statutes 1982, sections 422A.02; and 422A.03, subdivision 3”

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

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

S.F. No. 1109: A bill for an act relating to local government; permitting certain land transfers by the metropolitan sports facilities commission; amending Minnesota Statutes 1982, section 458.195, subdivision 5; and 473.556, subdivision 6.

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

Delete everything after the enacting clause and insert:

“Section 1. [BLOOMINGTON PORT AUTHORITY ACQUISITION AUTHORITY.]

The port authority of the city of Bloomington may purchase and accept conveyances of real property from all other public agencies, commissions, or other units of government, including the metropolitan sports facilities commission, if the real property can be properly utilized by the port authority to carry out the purposes of Laws 1957, chapter 812. The port authority may, with the approval of the city council, issue bonds as provided in section 458.193 for the purpose of paying the cost of purchasing the real property.

Sec. 2. Minnesota Statutes 1982, section 473.556, subdivision 6, is amended to read:

Subd. 6. [DISPOSITION OF PROPERTY.] (a) The commission may sell or otherwise dispose of any real or personal property acquired by it which is no longer required for accomplishment of its purposes. The property shall be sold in the manner provided by section 458.196, insofar as practical and consistent with sections 473.551 to 473.595.

(b) Real property at the metropolitan sports area (not including the indoor public assembly facility and adjacent parking facilities) which is no longer needed for sports facilities shall be sold or leased for commercial or industrial development in accordance with the procedures in section 458.196 within two years to a private, for-profit entity, and thereafter the property shall be subject to all applicable taxes and assessments and all government laws, regulations and ordinances bearing on use and development as if the property were privately owned.

(c) *If the real property described in paragraph (b) is not sold or leased*

pursuant to the provisions of paragraph (b), the port authority or the city of Bloomington shall have the option to purchase or lease, in whole or in part, the real property at the metropolitan sports area not including the indoor public assembly facility and adjacent parking facilities on negotiated terms and conditions.

(d) Real property disposed of under this subdivision shall be subject to leases, agreements, or other written interests in force on the effective date of this act.

(e) The proceeds from the sale of any real property at the metropolitan sports area shall be paid to the council and used for debt service retirement.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment. Section 2 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "permitting certain land acquisitions by the Bloomington port authority;"

Page 1, line 5, delete "458.195, subdivision 5; and"

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

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

S.F. No. 762: A bill for an act relating to the city of Fergus Falls; authorizing the city to issue general obligations to finance a solid waste disposal facility.

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

Page 1, line 12, delete "on it" and insert "thereon"

Page 2, line 10, delete the second "a" and insert "the"

Page 2, line 22, after "When" insert "such"

Page 2, line 25, delete the period and insert "and"

Page 2, after line 32, insert:

"Sec. 4. [LEASES.]

If the city awards contracts for the purchase and installation of solid waste disposal equipment prior to August 1, 1983, in accordance with Minnesota Statutes, section 471.345, and subsequent to such award determines to acquire such equipment by lease as provided in Minnesota Statutes, section 465.71, such award shall be deemed to comply with the provisions of sections 465.71 and 471.345."

Renumber the sections in sequence

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

adopted.

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

S.F. No. 921: A bill for an act relating to metropolitan government; regulating the organization, duties, and powers of the metropolitan mosquito control district and commission; amending Minnesota Statutes 1982, sections 473.702; 473.703, subdivision 9; 473.704, subdivision 13; 473.711, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 473.

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

Page 1, after line 23, insert:

“Sec. 2. Minnesota Statutes 1982, section 473.703, subdivision 1, is amended to read:

Subdivision 1. The district shall be operated by a commission which shall consist of ~~two members from each county within the district, except that each county within the district which has a seven member county board as provided in section 375.01, shall have one additional member on the commission. If a county is only partly included in the district it shall have only one member~~ *three members from Anoka County, one member from Carver County, three members from Dakota County, three members from Hennepin County, three members from Ramsey County, two members from Scott County, and two members from Washington County.* Commissioners shall be members of the board of county commissioners of their respective counties, and shall be appointed by their respective boards of county commissioners.”

Page 3, after line 25, insert:

“Sec. 8. [EFFECTIVE DATE.]

This act is effective the day following final enactment.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete “subdivision 9” and insert “subdivisions 1 and 9”

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

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 492: A bill for an act relating to financial institutions; regulating certain acquisitions by bank holding companies; defining terms; prescribing limitations; proposing new law coded in Minnesota Statutes, chapter 47.

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

Page 2, line 35, delete “(a)”

Page 3, line 1, delete everything after “bank”

Page 3, delete line 2

Page 3, line 3, delete "house,"

Page 3, after line 20, insert:

"No bank or bank holding company may establish or operate any additional office or branch separate from the main banking house."

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

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

S.F. No. 962: A bill for an act relating to education; providing for Indian scholarships; amending Minnesota Statutes 1982, section 124.48.

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

Page 2, after line 25, insert:

"Sec. 2. [124.485] [INDIAN SCHOLARSHIP REPORT TO LEGISLATURE.]

By January 15 of each odd numbered year, the state board of education shall report to the education committees of the legislature about the status of tuition aid and need-based scholarships and the recipients."

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

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

S.F. No. 944: A bill for an act relating to education; establishing the basis upon which financial stipends for scholarships and grants-in-aid are determined; amending Minnesota Statutes 1982, section 136A.121.

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

Page 2, line 4, after "equivalent" insert " , or is 17 years of age or over,"

Page 3, after line 8, insert:

"The minimum financial stipend shall be \$100."

Page 3, after line 30, insert:

"The minimum financial stipend shall be \$100."

Page 3, line 36, delete "in the 1986-1987" and insert "July 1, 1985"

Page 4, line 1, delete "school year"

Page 4, line 5, delete "the 1986-1987 school year" and insert "July 1, 1985"

Page 5, after line 32, insert:

"Sec. 2. [AUTHORITY TO ADOPT TEMPORARY RULES.]

The board shall have the authority to adopt temporary rules pursuant to

Minnesota Statutes 1982, section 14.29, to implement the provisions of Minnesota Statutes, section 136A.121, for the 1983-1984 academic year."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "authorizing higher education coordinating board to adopt temporary rules;"

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

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

S.F. No. 880: A bill for an act relating to state government; authorizing the commissioner of the department of economic security to accept gifts; designating the commissioner as administrator of weatherization programs; providing for weatherization grants; regulating summer youth programs; amending Minnesota Statutes 1982, sections 268.011, subdivision 2; 268.34; and 268.37, subdivisions 2, 4, and 5; repealing Minnesota Statutes 1982, section 268.37, subdivision 3.

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

Page 3, after line 27, insert:

"Sec. 6. Minnesota Statutes 1982, section 268.52, subdivision 2, is amended to read:

Subd. 2. [ALLOCATION OF FUNDS.] Funds appropriated for *Minnesota economic opportunity grants and community service block grants* for the purpose of subdivision 1 shall be allocated annually to community action agencies under either clause (a) or (b), whichever is more advantageous to the agency, to Indian reservations under clause (c) and to the Minnesota migrant council under clause (d).

If the appropriation is ~~insufficient to fully fund each agency~~, for *Minnesota economic opportunity grants or community service block grants* is less than the previous fiscal year the insufficiency shall be prorated annually among the agencies.

(a) In proportion to the size of the poverty level population served by the agency when compared to the size of the poverty level population in the state; or

(b) Determined as follows:

If the appropriation of funds for community action agencies shall be equal to or more than that available in ~~the previous fiscal years 1979 and 1980~~ year, there shall be in place a "hold-harmless" provision for the allocation of funds among community action agencies. For purposes of this section, "hold-harmless" ~~for the Minnesota Economic Opportunity Grant Program~~ is the amount of funding received by a community action agency under the Economic Opportunity Grant Program in the previous fiscal year ~~when calculating an agency's economic opportunity grant~~. When calculating an

agency's community services block grant, "hold-harmless" is the amount of funding received by a community action agency from the ~~local initiative~~ ~~or~~ community services block grant *act basic allotment* in the previous fiscal year.

(c) Allocation of funds to Indian reservations is based on the poverty level population of the reservation.

(d) Allocation of funds to the Minnesota migrant council shall not exceed three percent of the total funds available. The state office of economic opportunity shall negotiate the percentage allocation annually based on the most recent low income population figures."

Page 3, delete lines 28 to 30

Amend the title as follows:

Page 1, line 7, after "programs;" insert "providing financial assistance allocations for community action agencies;"

Page 1, line 8, delete "and"

Page 1, line 9, delete "repealing Minnesota Statutes" and insert "and 268.52, subdivision 2"

Page 1, line 10, delete everything before the period

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

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

S.F. No. 1012: A bill for an act relating to waste management; amending the Hazardous Waste Management Act of 1980; providing for the evaluation of bedrock disposal of hazardous waste; providing for participation by private developers and operators of waste facilities in the evaluation of hazardous waste disposal sites; creating phases of environmental impact statements; expanding the definition of hazardous waste; extending the deadlines for the adoption of certain hazardous waste rules; extending certain deadlines of the metropolitan council; clarifying the contents of environmental impact statements; providing reports to counties on permit conditions and permit application requirements for county sites; amending Minnesota Statutes 1982, sections 115.071, subdivisions 2 and 3; 115A.03, subdivision 10; 115A.05, subdivisions 2 and 3; 115A.06, subdivision 4; 115A.08, subdivisions 4, 5, and 6; 115A.10; 115A.11, subdivisions 1 and 2; 115A.21; 115A.22, subdivisions 1, 3, 4, 6, and 7; 115A.24, subdivision 1; 115A.25, subdivisions 1, 2, 3, and by adding subdivisions; 115A.26; 115A.27, subdivision 2; 115A.28, subdivisions 1, 2, and 3; 115A.30; 115A.54, subdivision 2; 115A.67; 115A.70, subdivision 3; 116.06, subdivision 13; 116.07, subdivision 4; 116.41, subdivision 1a; 473.149, subdivisions 2b, 2c, 2d, 2e, and 4; 473.153, subdivisions 2, 5, 6, 6b, and by adding a subdivision; 473.803, subdivisions 1a and 1b; 473.823, subdivision 6; 473.831, subdivision 2; 473.833, subdivisions 2a, 3, 7, and by adding a subdivision; proposing new law coded in chapter 115A; repealing Minnesota Statutes 1982, sections 115A.23; 115A.27, subdivision 1;

116.07, subdivision 4c; and 116.41, subdivision 1.

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

Pages 1 to 3, delete section 1

Page 12, line 35, before the period, insert “;

(e) recommendations for the allocation of liability among the owners, operators, and users of a disposal facility established pursuant to sections 115A.18 to 115A.30 including any recommended legislative changes, taking into consideration the need for the facility, the state’s involvement in the facility, the need to protect the health, property and environment of the local community from injury and loss, and the need for incentives to encourage the development and use of alternatives to land disposal”

Page 13, line 7, after “and” insert “shall recommend and” and after “encourage” insert “methods and procedures that will insure”

Page 13, line 20, strike “not”

Page 13, line 21, after “14” insert “or provisions submitted for review and found satisfactory by the legislative commission on administrative rules”

Page 13, line 36, delete “The hearing”

Page 14, delete lines 1 to 3

Page 14, line 4, delete “hearing procedures of the board.”

Page 15, line 8, delete “project” and insert “plan”

Page 15, line 16, delete “must” and insert “are to”

Page 20, line 2, delete “13” and insert “12”

Page 21, line 33, after “upon” insert “agricultural land, and”

Page 22, lines 11 and 17, delete “25” and insert “31”

Page 22, line 21, delete “and”

Page 22, strike line 22

Page 22, line 23, strike the old language

Page 22, line 24, delete “32” and insert “31”

Page 23, line 19, delete “23” and insert “22”

Page 23, line 20, delete “24” and insert “23”

Page 24, line 14, delete “32” and insert “31”

Page 24, line 17, after “statement” insert “, except as the agency determines is necessary to examine the environmental effects of the permitting decisions”

Page 24, line 24, delete “32” and insert “31”

Page 26, line 23, delete “32” and insert “31”

Page 33, line 4, strike everything after the headnote

Page 33, strike lines 5 to 10, and insert "*The designation shall not apply to or include:*

(a) *materials which are separated from solid waste and recovered for reuse in its original form or for use in manufacturing processes; or*

(b) *materials other than those described in clause (a) which are being delivered to another resource recovery facility"*

Page 33, line 19, delete "*including sewage sludge,*"

Page 33, line 21, after "*or*" insert "*contained*"

Page 33, line 23, after "*its*" insert "*quantity, concentration, or*"

Page 33, line 23, delete "*biological properties*" and insert "*infectious characteristics*"

Page 33, line 27, reinstate the stricken "*or*" and delete the comma and strike "*other living organisms*"

Page 33, line 28, delete the comma at the end of the line

Page 33, line 29, delete "*or*"

Page 33, after line 35, insert:

"Sec. 37. Minnesota Statutes 1982, section 116.06, is amended by adding a subdivision to read:

Subd. 9i. "Sludge" means any solid, semi-solid, or liquid waste generated from a municipal, commercial, or industrial waste water treatment plant, water supply treatment plant, or air contaminant treatment facility, or any other waste having similar characteristics and effects."

Page 39, line 5, delete everything after "*and*"

Page 39, line 6, delete everything before "*the*"

Page 39, line 7, delete "*may*" and insert "*shall review the development schedule at least every two years and shall*"

Page 39, line 8, delete "*adopted county*" and insert "*progress made in the adoption and implementation of the council and county abatement*"

Page 43, line 36, strike everything after "*facilities*"

Page 44, line 1, strike "*disposal of demolition debris*"

Page 44, lines 13 and 14, delete the new language

Page 51, after line 5, insert "*A county shall not be required to develop a solid waste disposal facility in any municipality in which the county proposes to locate a resource recovery facility for mixed municipal solid waste if the council finds that the disposal capacity required by the development schedule adopted under section 473.149, subdivision 2c can be provided without development of the solid waste disposal facility."*

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "*Hazardous*"

Page 1, line 16, delete "subdivisions 2 and" and insert "subdivision"

Page 1, line 25, after "13" insert ", and by adding a subdivision"

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

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

S.F. No. 755: A bill for an act relating to agriculture; making changes in the artificial dairy products act; amending Minnesota Statutes 1982, sections 32.53; 32.531; 32.5311; 32.532; 32.533; and proposing new law coded in Minnesota Statutes, chapter 32.

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

Page 3, line 2, delete "or" and insert "of"

Page 3, line 3, after "manufactured" insert "principally"

Page 4, line 24, after "name" insert ", but in no event smaller than one-quarter of an inch or 18 point type."

Page 4, line 30, delete "a filled or" and insert "an"

Page 4, line 32, delete "printed" and insert "principal"

Page 5, line 1, after "section" insert "or section 4"

Page 5, line 3, delete "A food product"

Page 5, line 4, delete "made to resemble a" and insert "An artificial"

Page 5, lines 6 and 8, delete "food" and insert "artificial dairy"

Page 5, line 13, delete "a food product made to resemble a" and insert "an artificial"

Page 5, line 15, delete "food" and insert "artificial dairy"

Page 5, line 17, delete "have" and insert "has"

Page 5, after line 17, insert:

"Subd. 3. [EXEMPTION.] This section does not apply to any package containing an individual serving of less than one-half ounce or one-half fluid ounce of an artificial dairy product for use in a restaurant, institution, or passenger carrier, and not otherwise packaged for sale at retail."

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

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

S.F. No. 745: A bill for an act relating to outdoor recreation; authorizing the issuance of state bonds and appropriating the proceeds for the acquisition and betterment of state trails; authorizing the sale of unneeded trail land; amending Minnesota Statutes 1982, section 85.015, by adding a sub-

division.

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

Page 2, line 23, delete "*such*" and insert "*of these*" and delete "*subdivision*" and insert "*subdivisions*"

Page 2, line 30, delete "*the sale*" and insert "*sales*" and delete "*or*" and insert "*and*"

Page 2, line 32, delete "*section 4f of the Federal Highway Act of 1968*" and insert "*United States Code, title 23, section 138, and title 49, section 1653(f)*"

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

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

S.F. No. 849: A bill for an act relating to taxation; eliminating the income tax credit for excise tax paid on gasoline bought and used for motorboats; amending Minnesota Statutes 1982, sections 290.06, subdivision 13; 296.18, subdivision 1; and 296.421, subdivision 5.

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

Page 2, after line 12, insert:

"Sec. 3. Minnesota Statutes 1982, section 296.421, subdivision 4, is amended to read:

Subd. 4. [DISTRIBUTION OF UNREFUNDED TAX FOR MOTOR BOAT PURPOSES.] The amount of ~~unrefunded~~ tax paid on gasoline used for motor boat purposes as computed in ~~Minnesota Statutes 1961, Section 296.421~~, subdivision 5, shall be paid into the state treasury and 33 1/3 percent thereof shall be credited to the state park development account; 33 1/3 percent thereof shall be credited to the game and fish fund to be used to defray the cost and expense of the division of game and fish and the department of natural resources in the acquisition, improvement, development and maintenance of sites for public access to public waters of this state and for lake improvement; and the remaining 33 1/3 percent thereof shall be credited to the general fund for purposes of boat and water safety."

Page 2, line 16, strike "unrefunded"

Page 2, line 16, after "tax" insert "*paid on gasoline used for motorboat purposes*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "subdivision 5" and insert "subdivisions 4 and 5"

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

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

S.F. No. 803: A bill for an act relating to tax-forfeited land; authorizing the sale of a certain tract within the city of Orono.

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

Page 1, line 14, after the period, insert *"If an owner of adjoining property purchases the tract, the price of the tract shall be at least the appraised value of the tract created by combining the tract sold under this section with the adjoining parcel owned by the buyer, less the appraised value of the adjoining parcel before the sale."*

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

Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred

S.F. No. 79: A bill for an act relating to horse racing; creating a Minnesota racing commission and providing for its membership, powers, and duties; authorizing the licensing of persons to operate racetracks, conduct horse racing, engage in certain occupations and conduct pari-mutuel betting on horse racing; prescribing taxes and license fees; establishing a Minnesota breeders fund; providing penalties; appropriating money; amending Minnesota Statutes 1982, sections 38.04; 609.75, subdivision 3; and 609.761; proposing new law coded as Minnesota Statutes, chapter 240.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

DEFINITIONS

Section 1. [299J.01] [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of this act the terms defined in this section have the meanings given them.

Subd. 2. [HORSE RACING.] "Horse racing" means any form of horse racing in which horses carry a rider or pull a sulky.

Subd. 3. [PERSON.] "Person" means an individual, firm, association, partnership, corporation, trustee, or legal representative, and any licensee, participant, or patron.

Subd. 4. [COMMISSION.] "Commission" means the Minnesota racing commission.

Subd. 5. [COMMISSIONER.] "Commissioner" means the commissioner of public safety.

Subd. 6. [DIVISION.] "Division" means the division of pari-mutuel betting within the department of public safety.

Subd. 7. [PARI-MUTUEL BETTING.] "Pari-mutuel betting" means the system of betting on horse races where those who bet on horses that finish in the position or positions for which bets are taken share in the total amounts bet, less deductions required or permitted by law.

Subd. 8. [BREAKAGE.] "Breakage" means the odd cents of all money to be distributed based on each dollar bet exceeding a sum equal to the next lowest multiple of ten.

Subd. 9. [STRAIGHT POOLS AND BETS.] "Straight pool" means a licensed pari-mutuel pool in which each ticket represents a bet to win, place, or show. A "straight bet" means a bet in a straight pool.

Subd. 10. [MULTIPLE POOLS AND BETS.] "Multiple pool" means a licensed pari-mutuel pool other than a straight pool. A "multiple bet" means a bet in a multiple pool.

Subd. 11. [LICENSED RACETRACK.] "Licensed racetrack" means a racetrack at which horse racing is conducted on the premises and which holds a class A or class D license issued by the commission.

Subd. 12. [RACING DAY.] "Racing day" means a day assigned by the commission as a racing day, and on which racing is conducted.

Subd. 13. [RACING MEETING.] "Racing meeting" means a series of days in which racing days are not separated by more than five non-racing days.

ARTICLE 2

RACING COMMISSION

Section 1. [299J.02] [RACING COMMISSION.]

Subdivision 1. [COMMISSION CREATED.] A Minnesota racing commission is established with the powers and duties specified in article 2 of this act. The commission consists of nine members appointed by the governor with the advice and consent of the senate. Not more than five of the members may belong to the same political party. At least one member must be from each congressional district. The governor shall designate the chairman of the commission. Of the members first appointed, three are for terms expiring June 30, 1985, three are for terms expiring June 30, 1987, and three are for a term expiring June 30, 1989. After the expiration of the initial term, appointments are for terms of six years. An appointment to fill a vacancy in an unexpired term is for the remainder of the term and is with the advice and consent of the senate.

Subd. 2. [QUALIFICATIONS; BONDING; CONFLICT OF INTEREST.] (a) A member of the commission must have been a resident of Minnesota for at least five years before his appointment and must have a background and experience such as would qualify him for membership on the commission.

(b) A member must, before taking his place on the commission, file a bond in the principal sum of \$10,000 payable to the state and conditioned upon the faithful performance of his duties.

(c) No commission member, nor any member of his immediate family, may:

(1) hold a license issued by the commission or have a direct or indirect

financial interest in any corporation, association, or partnership which holds a license issued by the commission or holds a contract to supply goods or services to a licensee or at a licensed racetrack, including concessions contracts;

(2) own, wholly or in part, or have an interest in a horse which races at a licensed racetrack in Minnesota; or

(3) have a financial interest in or be employed in a profession or business which conflicts with the performance of his duties as a commission member.

Subd. 3. [COMPENSATION.] The compensation of commission members is \$50 per day spent on commission activities authorized by the commission plus expenses in the same manner and amount as received by state employees.

Subd. 4. [REMOVAL; VACANCIES.] The removal of commission members and the filling of vacancies is as provided in section 15.0575. A violation of subdivision 2, paragraph (c), is grounds for removal for cause under that section.

Subd. 5. [ACTIONS.] The commission may sue and be sued in its own name but no action may be brought against the commission or any of its members for actions taken in good faith in the performance of their duties. Suits and actions may be commenced against the commission in any court of competent jurisdiction in this state by the service on the secretary of state of any summons, process, or pleadings authorized by the laws of this state. If any summons, process, or pleadings is served upon the secretary of state, it must be by duplicate copies, one of which must be retained in the office of the secretary of state, and the other to be forwarded immediately by certified mail to the chairman of the commission at the current address of the commission. The executive secretary of the commission shall keep the secretary of state informed of the mailing address of the commission and any changes thereto. The attorney general is the legal counsel for the commission.

Subd. 6. [MEETINGS.] All meetings conducted by the commission must be open to the public as provided under section 471.705.

Subd. 7. [HEARINGS.] All hearings conducted by the commission must be conducted in accordance with chapter 14, the Administrative Procedure Act.

Subd. 8. [ANNUAL REPORT.] The commission shall once each year report to the governor and legislature on its activities, receipts and disbursements, and recommendations for changes in the laws relating to racing and pari-mutuel betting.

Sec. 2. [299J.03] [EMPLOYEES; ASSISTANCE; CONFLICT OF INTEREST.]

Subdivision 1. [EXECUTIVE SECRETARY.] The commission shall appoint an executive secretary who is the chief administrative officer of the commission and who shall serve in the unclassified service and at the commission's pleasure. He shall devote full time to his duties, which are:

(a) to take and preserve records of all proceedings before the commission, maintain its books, documents, and records, and make them available for public inspection as the commission directs;

(b) if so designated by the commission, to act as a hearing officer to conduct hearings, receive testimony and exhibits, and certify the record of proceedings to the commission;

(c) to supervise the employment, conduct, duties, and discipline of employees assigned to the commission under subdivision 2; and

(d) to perform other duties as directed by the commission.

Subd. 2. [ASSISTANCE.] The commissioner shall provide the commission with office space, administrative services, and all necessary support personnel. The commission may also request assistance from any other department or agency of the state in fulfilling its duties and shall make appropriate reimbursement for all such assistance.

Subd. 3. [COMPENSATION.] The salaries of all commission employees must be determined as provided under chapter 43A.

Subd. 4. [CONFLICT OF INTEREST.] (a) The executive secretary and any employee assigned by the commissioner to provide assistance to the commission, as provided under subdivision 2, may not:

(1) hold a license issued by the commission or have a direct or indirect financial interest in any corporation, association, or partnership which holds a license issued by the commission or which holds a contract to supply goods or services to a licensee or at a licensed racetrack, including concessions contracts;

(2) own, wholly or in part, or have an interest in a horse which races at a licensed racetrack in Minnesota; or

(3) have a financial interest in or be employed in a profession or business which conflicts with the performance of his duties as an employee of or assigned to the commission.

(b) A violation of paragraph (a) by the executive secretary is grounds for termination of employment. A violation of paragraph (a) by any employee assigned to the commission who serves in the classified service is grounds for reassignment to another position within the department of public safety, excluding a position with the division of pari-mutuel betting and subject to available openings.

Sec. 3. [299J.04] [COMMISSION POWERS AND DUTIES.]

The commission has the following powers and duties:

(1) to issue, suspend, or revoke licenses as provided in this act;

(2) to determine the number of racing dates to be held in the state and at each track;

(3) to conduct hearings, investigations, and inquiries and compel the submission of information, documents, and records necessary to carry out its duties;

(4) to employ and supervise personnel, as provided under article 2, section 2, and contract for services necessary to carry out its duties; and

(5) to promulgate rules necessary to carry out the other powers and duties enumerated in this section.

Sec. 4. [299J.05] [LICENSES; IN GENERAL.]

Subdivision 1. [POLICY.] It is the intent of the legislature that authority granted by law to the commission to issue licenses not be construed as requiring the commission to issue any license.

Subd. 2. [CLASSES OF LICENSES.] (a) The commission may issue four classes of licenses:

(1) class A licenses, for the ownership and operation of a racetrack with horse racing on which pari-mutuel betting is conducted;

(2) class B licenses, for the sponsorship and management of horse racing on which pari-mutuel betting is conducted;

(3) class C licenses, for the privilege of engaging in certain occupations related to horse racing; and

(4) class D licenses, for the conduct of pari-mutuel horse racing by county agricultural societies or associations.

(b) No person may engage in any of the above activities without first having obtained the appropriate license from the commission.

Subd. 3. [APPLICATION FORMS; CONSENT TO INSPECTION.] All application forms for licenses must contain a statement to the effect that by accepting a license from the commission a licensee consents to having his property or person subject to inspection at any time by the chief of racing security or by security officers designated by the commissioner as provided under article 3, section 3, subdivision 3, of this act.

Subd. 4. [LICENSE FEES.] (a) The fee for a class A license is \$10,000 per year. The fee for a class B license is \$100 for each assigned racing day on which racing is actually conducted. The fee for a class C license for each occupation licensed under article 2, section 7, subdivision 1, must be established by the commission by rule except that no annual fee for a class C license may exceed \$100. The fee for a class D license is \$50 for each assigned racing day on which racing is actively conducted.

(b) License fees must be paid to the commission and forwarded by it to the state treasurer for deposit in the general fund. Fees imposed on class B and D licenses must be paid to the commission at a time and in a manner as provided by rule by the commission.

(c) The commission may by rule charge a fee for the registration of each class C occupation license issued in another jurisdiction and recognized in this state under a mutual recognition agreement authorized under article 2, section 7, subdivision 6.

Subd. 5. [LICENSES NONTRANSFERABLE.] A license issued under this act may not be transferred.

Sec. 5. [299J.06] [RACETRACK LICENSES.]

Subdivision 1. [APPLICATION.] The commission may issue one or more class A licenses but not more than one to any one person. An application for a class A license must be on a form prescribed by the commission and must be accompanied by detailed plans and specifications of the track, buildings, fences, and other improvements. The application must contain:

(a) *the name and address of the applicant and, if it is a corporation or association, the names of all officers, directors, and stockholders, including those of any of its holding companies;*

(b) *if required by the commission, the names of any person or persons holding directly, indirectly, or beneficially an interest of any kind in the applicant or any of its holding companies, whether the interest is financial, administrative, policy-making, or supervisory;*

(c) *a statement of the assets and liabilities of the applicant;*

(d) *a sworn statement executed by the applicant setting forth that no officer, director, or other person with a present or future direct or indirect financial or management interest in the racetrack, to the best of the applicant's knowledge:*

(1) *is in default in the payment of an obligation or debt to the state under this act;*

(2) *has ever been convicted of a felony in a state or federal court or has a state or federal felony charge pending;*

(3) *is or has been connected with or engaged in any illegal business;*

(4) *has ever been found guilty of fraud or misrepresentation in connection with racing or breeding;*

(5) *has ever been found guilty of a violation of a law or rule in any racing jurisdiction for which a license revocation has been or could have been imposed; or*

(6) *has ever knowingly violated a rule or order of the commission or commissioner or a law of Minnesota relating to racing; and*

(e) *an irrevocable consent statement, to be signed by the applicant, which states that suits and actions may be commenced against the applicant in any court of competent jurisdiction in this state by the service on the secretary of state of any summons, process, or pleadings authorized by the laws of this state. This consent must also stipulate that, if the applicant is a nonresident, the service of such process or pleadings on the secretary of state shall be taken and held in all courts to be as valid and binding as if due service had been made upon the applicant in this state. If any summons, process, or pleadings is served upon the secretary of state, it must be by duplicate copies, one of which must be retained in the office of the secretary of state, and the other to be forwarded immediately by certified mail to the address of the applicant, as shown by the records of the secretary of state.*

Subd. 2. [HEARINGS.] *Before granting an initial class A license, the commission shall hold one or more public hearings in the area where the racetrack is or will be located. The commission shall also request comments on the application from the city council of the city where the track is or will be located, or from the county board if it is to be located outside a municipality, and from the appropriate regional development commission or the metropolitan council, as the case may be.*

Subd. 3. [INVESTIGATION.] *Before granting an initial class A license, the commission shall conduct , or request the bureau of criminal apprehension to conduct, a comprehensive background and financial investigation of*

the applicant and sources of financing. The commission shall by rule define the scope of preliminary and comprehensive investigations. The commission may charge an applicant an investigation fee to cover the cost of the investigation and shall from this fee reimburse the bureau for its share of the cost of the investigation. The bureau of criminal apprehension shall give the commission access to all criminal history data compiled by the bureau on class A licensees and applicants.

Subd. 4. [LICENSE ISSUANCE.] If after considering the information received at the hearing or hearings and from investigations, and after considering the comments requested under subdivision 2, the commission determines that the license will not adversely affect the public health, welfare, and safety, that the racetrack will be operated in accordance with all applicable laws and rules, that the license will not create a competitive situation that will adversely affect racing and the public interest, and that the applicant is financially able to operate a licensed racetrack, it may issue a class A license to the applicant. The license is effective until revoked or suspended by the commission or relinquished by the licensee.

Subd. 5. [PROHIBITED LOCATIONS.] A class A license may not be issued to any location where the operation of a racetrack is prohibited by a valid local zoning ordinance. Not more than one class A license may be issued by the commission within the seven-county metropolitan area.

Subd. 6. [CHANGES IN OWNERSHIP OR MANAGEMENT.] If a change in the officers, directors, or other persons with a present or future direct or indirect financial or management interest in the licensee, or a change of ownership of more than five percent of the licensee's stock is made after the initial application or license issuance, the applicant or licensee shall notify the commission of the changes within five days of their occurrence and provide the affidavit required by subdivision 1, clause (d).

Subd. 7. [LICENSE SUSPENSION AND REVOCATION.] (a) The commission may revoke a class A license for a violation of law, order, or rule which in the commission's opinion adversely affects the integrity of horse racing in Minnesota, or for an intentional false statement made in a license application, or for a willful failure to pay any money required to be paid by this act.

(b) The commission may suspend a class A license for up to one year for a violation of law, order, or rule, and may suspend a class A license indefinitely if it determines that the licensee has as an officer, director, stockholder, or other person who has a direct, indirect, or beneficial interest with a person who is in the commission's opinion inimical to the integrity of horse racing in Minnesota or who cannot be certified under subdivision 1, clause (d).

(c) A license revocation or suspension under this subdivision, or a refusal to renew a class A license, is a contested case under sections 14.57 to 14.70 of the Administrative Procedure Act and is in addition to criminal penalties imposed for a violation of law or rule.

Subd. 8. [LOCAL APPROVAL.] (a) An initial issuance of a class A license for a location in a city is not effective until it has been approved by a majority vote of the city council. Failure to act on a license within 30 days of its

referral to a city council by the commission constitutes approval.

(b) An initial issuance of a class A license for a location in a town is not effective until it has been approved by a majority vote of the town board. Failure to act on a license within 30 days of its referral to the town board by the commission constitutes approval.

(c) An initial issuance of a class A license for a location in unorganized territory is not effective until it has been approved by a majority vote of the county board. Failure to act on a license within 30 days of its referral to the county board by the commission constitutes approval.

(d) An initial issuance of a class A license for a location at the state fairgrounds is not effective until it has been approved by a majority vote of the city council of all contiguous cities to the state fairgrounds. Failure to act on a license within 30 days of its referral to a city council by the commission constitutes approval by that council.

Sec. 6. [299J.07] [RACING LICENSES.]

Subdivision 1. [APPLICATION.] The commission may issue one or more class B licenses for the sponsorship and management of horse racing at licensed racetracks. An application for a class B license must be on a form prescribed by the commission and must be accompanied by a bond in the principal amount of \$500,000 payable to the state of Minnesota and conditioned on the licensee's payment of all fees, taxes, and other money due and payable under this act, including horse owner's purses and payouts on winning pari-mutuel tickets. The application must contain:

(a) the name and address of the applicant and, if it is a corporation or association, the names of all officers, directors, and stockholders, including those of any of its holding companies;

(b) if required by the commission, the names of any person or persons holding, directly, indirectly, or beneficially, an interest of any kind in the applicant or any of its holding companies, whether the interest is financial, administrative, policy-making, or supervisory;

(c) a statement of the assets and liabilities of the applicant;

(d) a sworn statement of the type described in article 2, section 5, subdivision 1, clause (d); and

(e) an irrevocable consent statement, to be signed by the applicant, which states that suits and actions may be commenced against the applicant in any court of competent jurisdiction in this state by the service on the secretary of state of any summons, process, or pleadings authorized by the laws of this state. This consent must also stipulate that, if the applicant is a nonresident, the service of such process or pleadings on the secretary of state shall be taken and held in all courts to be as valid and binding as if due service had been made upon the applicant in this state. If any summons, process, or pleadings is served upon the secretary of state, it must be by duplicate copies, one of which must be retained in the office of the secretary of state, and the other to be forwarded immediately by certified mail to the address of the applicant, as shown by the records of the secretary of state.

Subd. 2. [HEARINGS; INVESTIGATIONS.] Before granting an initial

class B license, the commission shall hold at least one public hearing on the license. Comprehensive investigations must be conducted and their costs paid in the manner prescribed by article 2, section 5, subdivision 3. The bureau of criminal apprehension shall give the commission access to all criminal history data compiled by the bureau on class B licensees and applicants.

Subd. 3. [LICENSE ISSUANCE.] If after considering the information received at the hearing and from investigations, the commission determines that the license will not adversely affect the public health, welfare, and safety, that the racetrack will be operated in accordance with all applicable laws and rules, that the license will not create a competitive situation that will adversely affect racing and the public interest, and that the applicant is fit to sponsor and manage racing, the commission may issue a class B license. The license is for a period of one year.

Subd. 4. [RENEWAL.] The commission may renew a class B license without a hearing unless it determines a hearing to be necessary.

Subd. 5. [CHANGES IN OWNERSHIP.] If a change in the officers, directors, or other persons with a present or future direct or indirect financial or management interest in the licensee, or a change of ownership of more than five percent of the licensee's stock is made after the initial application or license issuance, the applicant or licensee shall notify the commission of the changes within five days of their occurrence and provide the affidavit required in subdivision 1, clause (d).

Subd. 6. [LICENSE SUSPENSION AND REVOCATION.] Suspension, revocation, and refusal to renew a class B license is as provided in article 2, section 5, subdivision 7.

Subd. 7. [MULTIPLE LICENSES.] A person may simultaneously hold one class A and one class B license.

Sec. 7. [299J.08] [OCCUPATION LICENSES.]

Subdivision 1. [AUTHORITY.] The commission may issue class C occupational licenses to persons who wish to be employed in horse racing where pari-mutuel betting is conducted as:

- (a) horse owners or lessees;*
- (b) jockeys or drivers;*
- (c) exercise workers;*
- (d) grooms;*
- (e) trainers and their assistants;*
- (f) pari-mutuel personnel;*
- (g) security officers;*

(h) other occupations the commission by rule determines require licensing to insure the integrity of horse racing in Minnesota.

Subd. 2. [APPLICATION.] (a) An application for a class C license must be on a form prescribed by the commission and must be accompanied by an affidavit of qualification that the applicant:

(1) is not in default in the payment of an obligation or debt to the state under this act;

(2) has never been convicted of a felony in a state or federal court and does not have a state or federal felony charge pending;

(3) is not and never has been connected with or engaged in an illegal business;

(4) has never been found guilty of fraud or misrepresentation in connection with racing or breeding;

(5) has never been found guilty of a violation of law or rule in any racing jurisdiction for which a license revocation has been or could have been imposed; and

(6) has never knowingly violated a rule or order of the commission or commissioner or a law of Minnesota relating to racing.

(b) The application must also contain an irrevocable consent statement, to be signed by the applicant, which states that suits and actions may be commenced against the applicant in any court of competent jurisdiction in this state by the service on the secretary of state of any summons, process, or pleadings authorized by the laws of this state. This consent must also stipulate that, if the applicant is a nonresident, the service of such process or pleadings on the secretary of state shall be taken and held in all courts to be as valid and binding as if due service had been made upon the applicant in this state. If any summons, process, or pleadings is served upon the secretary of state, it must be by duplicate copies, one of which must be retained in the office of the secretary of state, and the other to be forwarded immediately by certified mail to the address of the applicant, as shown by the records of the secretary of state.

Subd. 3. [INVESTIGATIONS.] The commission shall investigate each applicant for a class C license to the extent it considers necessary and may request the assistance of and may reimburse the bureau of criminal apprehension in investigating applicants. The commission may by rule require that an applicant be fingerprinted or furnish his fingerprints. Investigations must be conducted and their costs paid in the manner prescribed by article 2, section 5, subdivision 3. The commission may cooperate with national and international organizations and agencies in conducting investigations. The commission may by rule provide for examining the qualifications of an applicant for the license for which he is applying. The bureau of criminal apprehension shall give the commission access to all criminal history data compiled by the bureau on class C applicants and licensees.

Subd. 4. [LICENSE ISSUANCE AND RENEWAL.] If the commission determines that the applicant has sufficient qualifications for the occupation for which licensing is sought and will not adversely affect the public health, welfare, and safety or the integrity of racing in Minnesota, it may issue a class C license to the applicant. If it makes a similar finding for a renewal of a class C license it may renew the license. Class C licenses are effective for a period of one year.

Subd. 5. [REVOCATION AND SUSPENSION.] (a) The commission may revoke a class C license for a violation of a law, order, or rule which in the

commission's opinion adversely affects the integrity of horse racing in Minnesota, or for an intentional false statement made in a license application.

(b) The commission may suspend a class C license for up to one year for a violation of law, order, or rule. The commission may delegate to its designated agents the authority to impose suspensions of class C licenses and such a suspension may be appealed to the commission according to its rules.

(c) A license revocation or suspension is a contested case under sections 14.57 to 14.70 of the Administrative Procedure Act and is in addition to criminal penalties imposed for a violation of law or rule.

Subd. 6. [MUTUAL RECOGNITION AGREEMENTS.] The commission may enter into agreements with comparable bodies in other racing jurisdictions for the mutual recognition of occupational licenses issued by each body.

Sec. 8. [299J.09] [COUNTY FAIR LICENSES.]

Subdivision 1. [APPLICATION.] The commission may issue class D licenses to county agricultural societies or associations incorporated under chapter 38 to conduct and manage, on their own fairgrounds, horse racing on which pari-mutuel betting is conducted. An application for a class D license must be on a form prescribed by the commission and must be accompanied by a certified copy of a resolution of the county board of the county where racing is to be conducted stating that it has reviewed the license application and does not object to it. An application for a class D license must be accompanied by detailed plans and specifications of the track, buildings, fences and other improvements.

Subd. 2. [OCCUPATIONAL LICENSES.] A person who participates in the management or conduct of horse racing or pari-mutuel betting for a county fair holding a class C license who is in an occupation listed in article 2, section 7, subdivision 1, must have a class C license from the commission except for active members as defined in section 349.12 of nonprofit organizations who act without compensation as concession workers or pari-mutuel clerks.

Subd. 3. [HEARING.] Before granting an initial application for a class D license, the commission shall hold at least one public hearing in the county where the license is to be issued and if the racetrack to be licensed is within a city, it shall also request comments on the application from the city council.

Subd. 4. [ISSUANCE.] If after considering the information received at the hearing or hearings, and after considering the comments requested under subdivision 3, the commission determines that the license will not adversely affect the public health, welfare, and safety and that the racing to be licensed will be conducted in accordance with all applicable laws and rules, it may issue a class D license to the applicant. The license is for a period of one year.

Subd. 5. [RENEWAL.] The commission may renew a class D license without a hearing unless it determines a hearing to be necessary.

Subd. 6. [REVOCATION AND SUSPENSION.] Revocation and suspension of class D licenses, and refusals to renew class D licenses, are as provided in article 2, section 5, subdivision 7.

Sec. 9. [299J.10] [RACING DAYS.]

Subdivision 1. [ASSIGNMENT OF RACING DAYS.] (a) The commission shall assign racing days to each racetrack licensee authorized to conduct racing with pari-mutuel betting. A licensee may conduct racing with pari-mutuel betting only on a racing day assigned by the commission. The commission may assign racing days for up to three years beyond the year in which the assignment is made. Assignments of racing days in any year must be made by July 1 of that year, except as provided in paragraph (b) and except that it may assign dates after that date to a licensee whose license is issued after that date.

(b) Notwithstanding the provisions of paragraph (a), the commission may assign racing days for the year in which this act is effective at any time during the year. The provisions of subdivisions 2 to 4 apply to racing days assigned under this subdivision.

Subd. 2. [HEARING.] (a) A public hearing is required before the commission may:

(1) make an assignment of racing days;

(2) revises the assignment during the year; or

(3) assigns racing days to a licensee whose license is issued after the initial assignment.

(b) The commission may without a hearing assign one additional racing day to a licensee for each originally assigned racing day during the same racing meeting on which racing was not conducted for reasons beyond the licensee's control.

Subd. 3. [COUNTY FAIR RACING DAYS.] The commission may assign to a class D licensee only those racing days which coincide with the days on which the licensee's county fair is running.

Subd. 4. [RESCINDING OF RACING DAYS.] The commission may after a public hearing rescind one or more racing days assigned to a licensee if it determines that the licensee has not met or will not meet the terms of his license. A day or days so rescinded may be reassigned to another licensee.

Sec. 10. [299J.11] [APPEALS.]

Appeals from a decision or order of the commission shall be made in the manner prescribed by sections 14.63 to 14.68.

Sec. 11. [299J.12] [RIGHT OF INSPECTION.]

The commission and its representatives have the right to inspect the licensed premises of a licensee and to examine his books and other records at any time without a search warrant if necessary to a determination of whether or not to suspend or revoke the licensee's license.

ARTICLE 3

DIVISION OF PARI-MUTUEL BETTING

Section 1. [299J.13] [DIVISION ESTABLISHED.]

A division in the department of public safety to be known as the division of

pari-mutuel betting is established. The division shall be headed by a director who shall be appointed, serve, and perform duties as provided under article 3, section 3, subdivision 1.

Sec. 2. [299J.14] [POWERS AND DUTIES OF THE COMMISSIONER.]

The commissioner has the following powers and duties:

(1) to regulate horse racing in Minnesota to ensure that it is conducted in the public interest;

(2) to enforce all laws and rules governing horse racing;

(3) to collect and distribute all taxes provided for in this act;

(4) to conduct hearings, investigations, and inquiries and compel the submission of information, documents, and records necessary to carry out its duties;

(5) to supervise the conduct of pari-mutuel betting on horse racing;

(6) to employ and supervise personnel under this act; and

(7) to take all necessary steps to insure the integrity of racing in Minnesota.

Sec. 3. [299J.15] [DIVISION EMPLOYEES.]

Subdivision 1. [DIRECTOR.] The commissioner shall appoint a division director who shall serve in the unclassified service and at the commissioner's pleasure. He shall devote full time to his duties, which are:

(a) to take and preserve records of all proceedings before the division, maintain division documents and records, and make them available for public inspection as the commissioner directs;

(b) if so designated by the commissioner, to act as a hearing officer to conduct hearings, receive testimony and exhibits, and certify the record of proceedings before the division to the commissioner ;

(c) to supervise the employment, conduct, duties, and discipline of division employees; and

(d) to perform other duties as directed by the commissioner.

Subd. 2. [INSPECTOR OF PARI-MUTUELS.] The commissioner shall appoint an inspector of pari-mutuels who shall serve in the unclassified service and at the commissioner's pleasure. He shall, while employed by the division, devote full time to his duties, which are:

(a) to supervise all forms of pari-mutuel betting on horse racing in the state;

(b) to inspect all machinery;

(c) to make reports on pari-mutuel betting as the commissioner directs;

(d) subject to the commissioner's approval, to appoint deputy inspectors on a seasonal or part-time basis to perform duties the commissioner designates; and

(e) to perform other duties as directed by the commissioner.

Subd. 3. [CHIEF OF SECURITY.] The commissioner shall appoint a chief of racing security to serve in the unclassified service and at the commissioner's pleasure. He shall, while employed by the commissioner, devote full time to his duties. The chief of racing security is responsible for enforcing all laws and rules promulgated under this act relating to the security and integrity of racing. He and all other persons designated by the commissioner as security officers have free and open access to all areas of all facilities the commission licenses and may search without a search warrant any part of a licensed racetrack and the person of any licensee, licensed by the commission under article 2, on the premises. The chief of security may order a licensee to take, at the licensee's expense, security measures he considers necessary to protect the integrity of racing, but such an order may be appealed to the commissioner. Nothing in this act prohibits law enforcement authorities and agents from entering, in the performance of their duties, a premises licensed under this act.

Subd. 4. [MEDICAL OFFICER.] (a) The commissioner may appoint a medical officer who shall serve in the unclassified service and at the commissioner's pleasure. The medical officer must be a doctor of veterinary medicine. He shall, while employed by the commission, devote full time to his duties, which are:

(1) to supervise the formulation, administration, and evaluation of all medical tests that rules promulgated under this act require or authorize;

(2) to advise the commissioner on all aspects of veterinary medicine relating to its powers and duties; and

(3) to supervise all personnel involved in medical testing, subject to the supervision of the director.

(b) If no medical officer is appointed, his duties may be assigned to the director.

Subd. 5. [STEWARDS.] The commissioner shall appoint stewards with powers and duties as provided under article 3, section 4.

Subd. 6. [OTHER EMPLOYEES.] The commissioner may employ and assign duties to other employees and agents necessary to discharge his duties. They shall serve in the classified service.

Subd. 7. [COMPENSATION.] The salaries of all division employees must be determined as provided under chapter 43A.

Subd. 8. [ASSISTANCE.] The commissioner may request assistance from any other department or agency of the state in fulfilling his duties and shall make appropriate reimbursement for all such assistance.

Subd. 9. [CONFLICT OF INTEREST.] (a) No division employee may:

(1) hold a license issued by the commission or have a direct or indirect financial interest in any corporation, association, or partnership which holds a license issued by the commission or which holds a contract to supply goods or services to a licensee or at a licensed racetrack, including concessions contracts;

(2) own, wholly or in part, or have an interest in a horse which races at a licensed racetrack in Minnesota; or

(3) have a financial interest in or be employed in a profession or business which conflicts with the performance of his duties as an employee of the division.

(b) A violation of paragraph (a) by an unclassified employee of the division is grounds for termination of employment. A violation of paragraph (a) by a classified employee of the division is grounds for reassignment to another division within the department of public safety, subject to available openings.

Sec. 4. [299J.16] [STEWARDS.]

Subdivision 1. [POWERS AND DUTIES.] The commissioner shall appoint a board of three stewards for each licensed racetrack to preside over all races run at that track. The commissioner shall designate one steward as chairman. At least two stewards for all races must be employees of the division. The commissioner may delegate the following duties and powers to a board of stewards:

(a) to insure that races are run in accordance with the rules promulgated by the commissioner;

(b) to supervise the conduct of racing to insure the integrity of the sport;

(c) to settle disputes arising from the running of horse races, and to certify official results;

(d) to impose on licensees, for violation of law or rules promulgated under this act, fines not exceeding \$500;

(e) to recommend to the commissioner where warranted penalties in excess of those in clause (d);

(f) to otherwise enforce the laws and rules of racing; and

(g) to perform other duties and have other powers assigned by the commissioner.

Subd. 2. [APPEALS.] A ruling of a board of stewards may be appealed to the commissioner or be reviewed by him on his own initiative.

Subd. 3. [PROCEDURAL POWERS.] A board of stewards has the authority to administer oaths, issue subpoenas, order the production of documents and other evidence, and regulate the course of hearings before it, according to the rules promulgated by the commissioner. Hearings held by a board of stewards are not subject to the provisions of the Administrative Procedure Act except those provisions which the commissioner by rule makes applicable.

Subd. 4. [RULES.] In addition to rules under subdivision 3, the commissioner may promulgate rules governing the qualifications, appointment, approval, authority, removal, and compensation of stewards.

Subd. 5. [COSTS.] The commissioner may require that a licensee reimburse the division for the costs of providing two state-paid stewards to supervise racing at the licensee's racetrack.

Sec. 5. [299J.17] [PARI-MUTUEL BETTING.]

Subdivision 1. [BETTING AUTHORIZED.] Class B and D licensees are

authorized to conduct pari-mutuel betting on the results of races run at a licensed racetrack and on other races authorized by the commissioner under subdivision 6.

Subd. 2. [EQUIPMENT REQUIREMENTS.] *A licensee conducting pari-mutuel betting at the licensed track must provide at that track:*

(a) the necessary equipment for issuing pari-mutuel tickets; and

(b) mechanical or electronic equipment or devices, approved by the commissioner, for displaying information as required by the commissioner.

Subd. 3. [TYPES OF BETTING.] *The commissioner shall by rule designate those types of pari-mutuel pools which are permitted at licensed racetracks. No licensee may conduct any type of pari-mutuel pool which has not been so designated.*

Subd. 4. [TAKEOUT; DISTRIBUTION OF WINNINGS.] *A licensee conducting pari-mutuel betting shall deduct from a straight pari-mutuel pool, before payments to holders of winning tickets, an amount equal to 19 percent of the total money in that pool. The licensee shall deduct from a multiple pari-mutuel pool, before payments to the holders of winning tickets, an amount equal to 22 percent of the total money in that pool. The remaining money in each pool must be distributed among the holders of winning tickets in a manner the commissioner by rule prescribes for each type of pool. Breakage must be computed on the basis of payoffs rounded down to the next lowest increment of twenty cents, with a minimum payoff of \$2.20 on a \$2 ticket; except that, the licensee may reduce the minimum payoff to \$2.10 on a \$2 ticket if there is not a sufficient amount in a pool to make a minimum payoff of \$2.20.*

Subd. 5. [PURSES.] *From the amounts deducted from all pari-mutuel pools by a licensee, an amount equal to five percent of all money in all pools must be set aside by the licensee and used for purses for races conducted by him. The commissioner may by rule provide for the administration and enforcement of this subdivision.*

Subd. 6. [TELEVISED RACES.] *(a) The commissioner may by rule permit a class B or D licensee to conduct on the premises of the licensed racetrack pari-mutuel betting on horse races run in other states and broadcast by television on the premises. All provisions of law governing pari-mutuel betting apply to pari-mutuel betting on televised races except as otherwise provided in this subdivision or in rules promulgated by the commissioner. In addition, all televised races under this subdivision must comply with the Interstate Horse Racing Act of 1978, United States Code, title 15, sections 3001 et seq.*

(b) Pari-mutuel betting on a televised race may be conducted only on a racing day assigned by the commission.

(c) Pari-mutuel pools conducted on televised races authorized under paragraph (a) may consist only of money bet on the premises and may not be commingled with any other pool off the premises, except that:

(1) the licensee may pay a fee to the person or entity conducting the race for the privilege of conducting pari-mutuel betting on the race; and

(2) the licensee may pay the costs of transmitting the broadcast of the race.

(d) The takeout and taxes on pari-mutuel pools on televised races are as provided for other pari-mutuel pools.

Subd. 7. [TIME LIMIT FOR PAYMENTS.] The licensee shall pay off on an uncashed ticket presented for payment within 90 days of the end of the racing meeting during which it was issued. A ticket not presented for payment within that period is an unredeemed ticket and must be reported to the commissioner as provided in article 3, section 6, subdivision 5.

Subd. 8. [PROHIBITED ACTS.] A licensee may not accept a bet from any person under the age of 18 years; and a licensee may not accept a bet of less than \$2.

Sec. 6. [299J.18] [TAXES; PAYMENTS TO STATE.]

Subdivision 1. [TAXES IMPOSED.]

(a) There is imposed on the total amount bet on all pari-mutuel pools on each racing day a tax at the following rates:

(1) For each racing day in a calendar year on which the total amount bet together with the total amount bet at the same licensed racetrack in all previous racing days in the same calendar year does not exceed \$48,000,000, one and three-quarters percent of the total amount bet in all pari-mutuel pools.

(2) For each racing day in a calendar year after the racing day on which the total amount bet in all pari-mutuel pools at the same licensed racetrack in the same calendar year exceeds \$48,000,000, six percent of the total amount bet in all pari-mutuel pools.

(b) In addition to the above tax, the licensee shall designate and pay to the commissioner a tax for deposit in the Minnesota breeders fund, established under article 4, at the following rates:

(1) For racing days under paragraph (a), clause (1), on which the state tax is one and three-quarters percent, one-half percent of the total amount bet in all pari-mutuel pools.

(2) For racing days under paragraph (b), clause (2), on which the state tax is six percent, one percent of the total amount bet in all pari-mutuel pools.

The taxes imposed under this paragraph must be paid from the amounts permitted to be withheld by a licensee under article 3, section 5, subdivision 4.

(c) The commission shall impose on each paid admission to each licensed racetrack on a racing day a tax of 40 cents.

Subd. 2. [PAYMENT.] The licensee shall remit the tax to the commissioner within seven days of the day on which it was collected. In addition to the tax and at that time, the licensee shall pay to the commissioner a sum equal to one-half the total breakage for each racing day during the period for which the tax is paid. The payments must be accompanied by a detailed statement of the remittance on a form prescribed by the commissioner. The commissioner may by rule provide for the direct deposit of required payments in a division account in a financial institution within the state and for determining the time of applicability of different tax rates under subdivision 1.

Subd. 3. [TAX EXCLUSIVE.] The tax imposed by subdivision 1 is in lieu of any license fee imposed by a political subdivision and in lieu of any other sales or excise tax imposed by the state on pari-mutuel pools or pari-mutuel ticket sales.

Subd. 4. [REPORTS.] Within 100 days of the end of a racing meeting, a licensee subject to the tax imposed by subdivision 1 shall file with the commissioner a certified statement of receipts from all sources during the racing meeting and of expenses and disbursements, itemized on a form prescribed by the commissioner after consultation with the state auditor, showing the licensee's net revenues from all sources. The statement must be prepared by a certified public accountant in accordance with generally accepted auditing standards.

Subd. 5. [UNREDEEMED TICKETS.] Not later than 100 days after the end of a racing meeting, a licensee who sells pari-mutuel tickets shall remit to the commissioner an amount equal to the total value of unredeemed tickets from the racing meeting. The remittance must be accompanied by a detailed statement of the money on a form prescribed by the commissioner.

Subd. 6. [DISPOSITION OF PROCEEDS.] The commissioner shall distribute all money received under this section, and all money received from license fees and fines it collects, as follows:

(a) All money designated for deposit in the Minnesota breeders fund shall be paid into that fund for distribution as provided under article 4; and

(b) All other revenues received under this section by the commissioner must be forwarded to the state treasurer for deposit in the general fund.

Sec. 7. [299J.19] [CONTRACTS FOR GOODS OR SERVICES.]

The commissioner shall by rule require that all contracts entered into by a class A, B, or D licensee for the provision of goods or services, including concessions contracts, be subject to commissioner approval. The commissioner may require a contract holder to make available documents and records the commissioner considers necessary to evaluate the contract.

Sec. 8. [299J.20] [MEDICATION AND MEDICAL TESTING.]

Subdivision 1. [RULES.] The commissioner shall make and enforce rules governing medication and medical testing for horses running at licensed racetracks. The rules must provide that no medication, including anti-inflammatory analgesics and synthetic corticosteroids and as the commissioner further defines that term by rule, may be administered to a horse within 72 hours of a race it runs at a licensed racetrack. The commissioner shall by rule establish the qualifications for laboratories used by it as testing laboratories to enforce its rules under this section.

Subd. 2. [CONTRACTS FOR MEDICAL SERVICES.] The commissioner may contract for medical services with an institution which teaches animal health sciences within the state for the purpose of enforcement under subdivision 1 and for any other purpose he considers necessary to implement the provisions of this act.

Sec. 9. [299J.21] [SCHEDULED RACES FOR MINNESOTA-BRED OR MINNESOTA-OWNED HORSES.]

Each holder of a class B or D license shall declare and schedule on each racing day it conducts at least one race limited to horses which are Minnesota-bred or Minnesota-owned as those terms are defined in rules promulgated by the commissioner; except that, if there is not a sufficient number of such horses entered in the declared race to make up an adequate slate of entries another race may be substituted.

Sec. 10. [299J.22] [EXCLUSION OF CERTAIN PERSONS.]

Subdivision 1. [PERSONS EXCLUDED.] The commissioner may exclude from any and all licensed racetracks in the state a person who:

(a) has been convicted of a felony under the laws of any state or the United States; or

(b) has had a license suspended, revoked, or denied by the commission or by the racing authority of any other jurisdiction; or

(c) is determined by the commissioner, on the basis of evidence presented to him, to be a threat to the integrity of racing in Minnesota.

Subd. 2. [HEARING; APPEAL.] An order to exclude a person from any or all licensed racetracks in the state must be made by the commissioner at a public hearing of which the person to be excluded must have at least five days notice. If the person is present at the hearing he must be permitted to show cause why he should not be excluded. An appeal of the order may be made in the same manner as other appeals under article 3, section 13.

Subd. 3. [NOTICE TO RACETRACKS.] Upon issuing an order excluding a person from any or all licensed racetracks, the commissioner shall send a copy of the order to the excluded person and to all racetracks named in it, along with such other information as he considers necessary to permit compliance with the order.

Subd. 4. [PROHIBITIONS.] It is a gross misdemeanor for a person named in an exclusion order to enter, attempt to enter, or be on the premises of a racetrack named in the order while it is in effect, and for a person licensed to conduct racing or operate a racetrack knowingly to permit an excluded person to enter or be on the premises.

Subd. 5. [EXCLUSIONS BY RACETRACK.] The holder of a license to conduct racing may eject and exclude from its premises any licensee or any other person who is in violation of any state law or rule or order promulgated or issued under this act, or who is a threat to racing integrity or the public safety. A person so excluded from racetrack premises may appeal his exclusion to the commissioner and must be given a public hearing on his appeal if he so requests. At the hearing he must be given the opportunity to show cause why he should not be so excluded. If the commissioner, after the hearing, finds that the integrity of racing and the public safety do not justify the exclusion, he shall order the racetrack making the exclusion to reinstate or readmit the person. An appeal of a commissioner order upholding the exclusion is governed by article 3, section 13.

Sec. 11. [299J.23] [WORK AREAS.]

A class A licensee shall provide at no cost to the division suitable work areas for the commissioner and division employees or agents who are

directed by the commissioner to supervise and control racing at the licensed racetrack.

Sec. 12. [299J.24] [HEARINGS.]

All hearings conducted by the commissioner, or by the director if so designated by the commissioner, shall be conducted in accordance with chapter 14, the Administrative Procedure Act.

Sec. 13. [299J.25] [APPEALS.]

Appeals from a decision of the commissioner must be made in the manner prescribed by sections 14.63 to 14.68.

Sec. 14. [299J.26] [RIGHT OF INSPECTION.]

The commissioner and his representatives have the right to inspect the licensed premises of a licensee and to examine his books and other records at any time without a search warrant.

Sec. 15. [299J.27] [FINES.]

The commissioner shall by rule establish a graduated schedule of fines for violations of rules promulgated under this act or of laws relating to horse racing. The schedule must be based on and reflect the culpability, frequency, and severity of the violator's actions. The commissioner may impose a fine from this schedule on a licensee for a violation of those rules or laws relating to horse racing. The fine is in addition to any criminal penalty imposed for the same violation. Fines imposed by the commissioner shall be paid and forwarded to the state treasurer for deposit in the general fund. A fine is a contested case under sections 14.57 to 14.70 or the Administrative Procedure Act.

Sec. 16. [299J.28] [RULE-MAKING AUTHORITY.]

Subdivision 1. [ADDITIONAL AUTHORITY.] The commissioner has the authority, in addition to all other rule-making authority granted under this article, to promulgate rules governing:

(a) the conduct of horse races held at licensed racetracks in Minnesota including but not limited to the rules of racing, standards of entry, operation of claiming races, filing and handling of objections, carrying of weights, and declaration of official results;

(b) wire communications between the premises of a licensed racetrack and any place outside the premises;

(c) information on horse races which is sold on the premises of a licensed racetrack;

(d) liability insurance which the commissioner may require of all class A, B, and D licensees;

(e) the auditing of the books and records of a licensee by an auditor employed or appointed by the commissioner;

(f) emergency action plans maintained by licensed racetracks, and their periodic review;

(g) safety, security, and sanitation of stabling facilities at licensed race-

tracks;

(h) entry fees and other funds received by a licensee in the course of conducting racing which the commissioner determines must be placed in escrow accounts; and

(i) any other aspect of horse racing or pari-mutuel betting which in the commissioner's opinion affects the integrity of racing or the public health, welfare, or safety.

Subd. 2. [TEMPORARY RULES.] The commissioner may promulgate temporary rules encompassing all rule-making authority granted elsewhere in this act. Temporary rules are not subject to chapter 14, the Administrative Procedure Act, and may be adopted without a hearing. Temporary rules are effective 15 days after adoption by the commissioner and remain in effect only until February 15 of the year following the year in which this act first becomes effective. Temporary rules may be filed pursuant to section 14.38.

Subd. 3. [RULES SUBJECT TO ADMINISTRATIVE PROCEDURE ACT; EXCEPTION.] Except as provided in subdivision 2, rules of the commissioner are subject to chapter 14, the Administrative Procedure Act.

ARTICLE 4

BREEDERS FUND

Section 1. [BREEDERS FUND.]

Subdivision 1. [ESTABLISHMENT.] The commissioner shall establish a Minnesota breeders fund with the money paid to the state under article 3, section 6, subdivision 1, paragraph (b).

Subd. 2. [DISTRIBUTION.] The commissioner, after paying the costs of administering the fund, shall distribute the net proceeds as follows:

(a) 20 percent must be expended as grants for equine research at public institutions of post-secondary learning within the state;

(b) 80 percent must be apportioned into categories corresponding with the various breeds of horses which raced at licensed Minnesota racetracks in the previous year, in proportion to each category's contribution to the fund, and may be expended by the commissioner to:

(1) supplement purses for races held exclusively for Minnesota-bred or Minnesota-owned horses, as those terms are defined by the commissioner;

(2) pay breeders or owners awards to the breeders or owners of Minnesota-bred horses which win money at licensed racetracks in the state; and

(3) provide other financial incentives to encourage the horse breeding industry in Minnesota.

Subd. 3. [RULES.] The commissioner shall adopt rules governing the distribution of the fund. The commissioner may establish advisory committees to advise it on the distribution of money under this section provided that the members of an advisory committee shall serve without compensation.

ARTICLE 5

PROHIBITED ACTS; PENALTIES

Section 1. [299J.29] [PROHIBITED ACTS.]

Subdivision 1. [ILLEGAL BETS.] No person may accept a bet as defined in section 609.75 on or off the premises of a licensed racetrack other than a bet made within a licensed pari-mutuel system.

Subd. 2. [OFF-TRACK BETS.] No person may, as part of an organized commercial activity, accept a bet off the premises of a licensed racetrack for delivery to a licensed racetrack.

Subd. 3. [INFLUENCING RACES.] No person may influence or attempt to influence a horse race by:

(a) making threats;

(b) offering anything of value to a person involved in the conduct of a race in return for that person's committing an illegal act or failing to perform a duty; or

(c) conniving with or seeking or having an understanding or agreement with an owner, jockey, driver, trainer, groom, valet, agent, or other person associated with or interested in a horse or stable of horses.

Subd. 4. [TAMPERING WITH HORSES.] No person may:

(a) on the premises of a licensed racetrack use, have in his possession with intent to use, or knowingly assist another person in using a battery or buzzer, electrical or mechanical, or other device or appliance, which can be used to affect a horse's racing condition or performance, other than an ordinary whip;

(b) affect or attempt to affect the racing condition or performance of a horse at a race or workout through the use of a drug or medication in violation of the rules promulgated by the commissioner; or

(c) use any method, injurious or otherwise, to affect a horse's racing condition or performance at a race or workout in violation of rules promulgated by the commissioner.

Subd. 5. [REPORTING OF INFORMATION.] A person licensed by the commission who has information regarding a violation provision of this section shall report that information promptly to the commissioner.

Subd. 6. [FALSE STATEMENT.] No person may knowingly make a false statement in a document or application required to be submitted to the commission or commissioner, or in a sworn statement or testimony before the commission or commissioner or director.

Subd. 7. [ALTERED TICKETS.] No person may knowingly offer for payment any pari-mutuel ticket which has been altered, or any counterfeit or forged pari-mutuel ticket.

Subd. 8. [PENALTIES.] A violation of subdivision 1, 2, 3, 4 or 7 is a felony. A violation of subdivision 5 or 6 is a gross misdemeanor. A violation of any other provision of this act or of a rule or order of the commission or commissioner for which another penalty is not provided is a misdemeanor.

Sec. 2. [299J.30] [BETTING PROHIBITED BY MEMBERS, EMPLOYEES, AND LICENSEES.]

Subdivision 1. [BETTING.] No commission member or employee of the commission or division may bet or cause a bet to be made on a race at a licensed racetrack while serving on or being employed by the commission or division. No person appointed or approved by the commissioner as a steward may bet or cause a bet to be made at a licensed racetrack during a racing meeting at which he is serving as a steward. The commissioner shall by rule prescribe such restrictions on betting by licensees as he considers necessary to protect the integrity of racing.

Subd. 2. [VIOLATION.] A violation of subdivision 1 is grounds for removal from the commission or termination of employment. A bet made directly or indirectly by a steward in violation of subdivision 1 or by a licensee in violation of a rule promulgated by the commissioner under subdivision 1 is grounds for suspension or revocation of the license by the commission.

ARTICLE 6

TREATMENT PROGRAMS FOR COMPULSIVE GAMBLERS

Section 1. [LEGISLATION ESTABLISHING TREATMENT PROGRAMS FOR COMPULSIVE GAMBLERS.]

The commissioner of public welfare, after consulting with the commissioner of health and other persons knowledgeable in the assessment and treatment of compulsive gamblers, shall present to the legislature, no later than January 30, 1984, legislation establishing treatment programs for the rehabilitation of compulsive gamblers. In developing the legislation, the commissioner of public welfare shall include, among other things, consideration of the following issues:

(1) The nature of compulsive gambling, and current practices in diagnosing and treating it;

(2) The extent of compulsive gambling in this state and the effect of current and proposed forms of legalized gambling on the incidence of compulsive gambling;

(3) Existing programs in this state to deal with compulsive gambling;

(4) Proposals for additional efforts to deal with compulsive gambling by both public and private agencies;

(5) Coverage of compulsive gambling under existing health insurance policies and proposals to change that coverage; and

(6) Recommendations for a coordinated program of public and private action to deal with compulsive gambling by means of both treatment and public information, with recommended funding levels and implementation strategy.

At a minimum, the legislation must include provisions establishing residential and outpatient treatment programs which address the unique needs of compulsive or pathological gamblers and which allow participants to return to normal lifestyles which do not include gambling. The legislation must also authorize the commissioner of public welfare to provide educational materials to the public regarding the detrimental effects of compulsive gambling on the economic and emotional health and welfare of the family unit.

Sec. 2. [COST OF PROGRAMS; LIMIT.]

If the legislature adopts implementing legislation pursuant to section 2, the annual cost of the treatment programs may not exceed five percent of the money collected by the commissioner for that year under article 3, section 6, and deposited in the general fund.

ARTICLE 7

MISCELLANEOUS PROVISIONS

Section 1. Minnesota Statutes 1982, section 10A.09, subdivision 1, is amended to read:

Subdivision 1. Except for a candidate for elective office in the judicial branch, an individual shall file a statement of economic interest with the board:

- (a) Within 60 days of accepting employment as a public official; ~~or~~
- (b) Within 14 days after filing an affidavit of candidacy or petition to appear on the ballot for an elective public office; ~~or~~
- (c) In the case of a public official requiring the advice and consent of the senate, prior to the submission of his name to the senate, and in any event, within 60 days after he undertakes the duties of his office; *or*
- (d) *In the case of any classified or unclassified employee of the state who is involved directly or indirectly with pari-mutuel operations of related activities and any member of the Minnesota racing commission established under article 2, section 1, its agents, or employees, within 60 days of accepting or assuming duties.*

Sec. 2. Minnesota Statutes 1982, section 10A.09, subdivision 5, is amended to read:

Subd. 5. A statement of economic interest required by this section shall be on a form prescribed by the board. The individual filing shall provide the following information:

- (a) His name, address, occupation and principal place of business;
- (b) The name of each business with which he is associated and the nature of that association;
- (c) A listing of all real property within the state, excluding homestead property, in which he holds: (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, and which interest is valued in excess of \$2,500; or (ii) an option to buy, which property has a fair market value of \$50,000 or more; ~~and~~
- (d) A listing of all real property within the state in which a partnership of which he is a member holds: (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, if his share of the partnership interest is valued in excess of \$2,500 or (ii) an option to buy, which property has a fair market value of \$50,000 or more. Any listing under clause (c) or (d) shall indicate the street address and the municipality or the section, township, range and approximate acreage, whichever applies, and the county wherein the property is located; *and*
- (e) *A listing of any investments, ownership, or interests in property con-*

nected with pari-mutuel horse racing in the United States and Canada, including a racing horse, in which he directly or indirectly holds a partial or full interest or an immediate family member holds a partial or full interest.

Sec. 3. Minnesota Statutes 1982, section 38.04, is amended to read:

38.04 [ANNUAL MEETINGS; REPORTS.]

Every county agricultural society shall hold an annual meeting for the election of officers and the transaction of other business on or before the third Tuesday in November, each year, at which time its secretary shall make a report of its proceedings for the preceding year; this report shall contain a statement of all transactions at its fairs, the numbers of entries, the amount and source of all moneys received, and the amount paid out for premiums and other purposes, and show in detail its entire receipts and expenditures during the year. *The report must contain a separate accounting of any income received from the operation of horse racing on which pari-mutuel betting is conducted, and of the disposition of that income.*

The treasurer shall make a comprehensive report of the funds received, paid out, and on hand, and upon whose order paid. Each secretary shall cause a certified copy of his annual report to be filed with the county recorder of the county and the commissioner of agriculture on or before the first day of November, each year.

Sec. 4. Minnesota Statutes 1982, section 290.09, subdivision 5, is amended to read:

Subd. 5. [LOSSES.] (a) [GENERAL RULE.] There shall be allowed as a deduction any loss sustained during the taxable year and not compensated for by insurance or otherwise.

(b) [AMOUNT OF DEDUCTION.] For purposes of paragraph (a), the basis for determining the amount of the deduction for any loss shall be the adjusted basis provided in this chapter for determining the loss from the sale or other disposition of property.

(c) [LIMITATION OF LOSSES OF INDIVIDUALS.] In the case of an individual, the deduction under paragraph (a) shall be limited to

(1) Losses incurred in a trade or business;

(2) Losses incurred in any transaction entered into for profit, though not connected with a trade or business; and

(3) Losses of property not connected with a trade or business, if such losses arise from fire, storm, shipwreck, or other casualty, or from theft to the extent they are deductible pursuant to the provisions of section 165 (c) (3) of the Internal Revenue Code of 1954, as amended through December 31, 1981. No loss described in this paragraph shall be allowed if, at the time of the filing of the return, such loss has been claimed for inheritance or estate tax purposes.

(d) [WAGERING LOSSES.] Losses from wagering transactions shall be allowed only to the extent of the gains from such transactions *and provided that before this clause is applied, no loss from pari-mutuel betting under this act shall be allowed except to the extent of verified receipts or the sworn testimony of at least one witness who is not the taxpayer or his spouse.*

(e) [THEFT LOSSES.] For purposes of paragraph (a), any loss arising from theft shall be treated as sustained during the taxable year in which the taxpayer discovers such loss.

(f) [CAPITAL LOSSES.] Losses from sales or exchanges of capital assets shall be allowed only to the extent allowed in section 290.16.

(g) [WORTHLESS SECURITIES.] (1) [GENERAL RULE.] If any security which is a capital asset becomes worthless during the taxable year, the loss resulting therefrom shall, for purposes of this chapter, be treated as a loss from the sale or exchange, on the last day of the taxable year, of a capital asset.

(2) [SECURITY DEFINED.] For purposes of this paragraph, the term "security" means:

(A) A share of stock in a corporation;

(B) A right to subscribe for, or to receive, a share of stock in a corporation;
or

(C) A bond, debenture, note, or certificate, or other evidence of indebtedness, issued by a corporation or by a government or political subdivision thereof, with interest coupons or in registered form.

(3) [SECURITIES IN AFFILIATED CORPORATION.] For purposes of paragraph (1), any security in a corporation affiliated with a taxpayer which is a domestic corporation shall not be treated as a capital asset. For purposes of the preceding sentence, a corporation shall be treated as affiliated with the taxpayer only if:

(A) At least 80 percent of each class of its stock is owned directly by the taxpayer, and

(B) More than 90 percent of the aggregate of its gross receipts for all taxable years has been from sources other than royalties, rents (except rents derived from rental from properties to employees of the corporation in the ordinary course of its operating business), dividends, interest (except interest received on deferred purchase price of operating assets sold), annuities, and gains from sales or exchanges of stocks and securities. In computing gross receipts for purposes of the preceding sentence, gross receipts from sales or exchanges of stock and securities shall be taken into account only to the extent of gains therefrom.

(h) [DISASTER LOSSES.] (1) Notwithstanding the provisions of (a), any loss

(A) attributable to a disaster which occurs during the period following the close of the taxable year and on or before the time prescribed by law for filing the income tax return for the taxable year (determined without regard to any extension of time), and

(B) occurring in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government under the provisions of the Federal Disaster Relief Act of 1974, at the election of the taxpayer, may be deducted for the taxable year immediately preceding the taxable year in which the disaster occurred. Such election may be made only if a similar election has been made under the provisions of Section 165(h) of

the Internal Revenue Code of 1954, as amended through December 31, 1981 for federal income tax purposes. Such deduction shall not be in excess of so much of the loss as would have been deductible in the taxable year in which the casualty occurred. If an election is made under this paragraph, the casualty resulting in the loss will be deemed to have occurred in the taxable year for which the deduction is claimed.

(2) The commissioner is authorized to prescribe regulations providing the time and manner of making an election to claim a disaster loss under this clause.

(i) [ELECTION.] In lieu of the deduction allowed by (a) or (h) any loss not compensated for by insurance or otherwise:

(1) Attributable to storm or other natural causes or fire, may, at the election of the taxpayer, be claimed as a deduction in the taxable year in which said loss is sustained or in the preceding taxable year.

(2) In the event that under the provisions of this paragraph, a taxpayer claims the same disaster loss deduction or a net operating loss deduction resulting from the inclusion of a casualty loss in the calculation of such deduction in different taxable years for state and federal purposes, appropriate modifications shall be allowed or required for taxable years affected in order to prevent duplication or omission of such deduction.

(3) The commissioner is authorized to prescribe regulations providing the time and manner to make an election to claim a loss under the provisions of this paragraph and for the filing of an amended return or claim for refund.

Sec. 5. Minnesota Statutes 1982, section 290.09, subdivision 29, is amended to read:

Subd. 29. [DEDUCTIONS ATTRIBUTABLE TO FARMING.] (a) [DEFINITIONS.] For purposes of this subdivision, income and gains and expenses and losses shall be considered as "arising from a farm" if such items are received or incurred in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, *including horses for horse racing*, bees, poultry, and fur-bearing animals and wildlife, and all operations incident thereto, including but not limited to the common use of "hedging".

(b) [DEDUCTIONS LIMITED.] Except as provided in this subdivision, expenses and losses, except for interest and taxes, arising from a farm shall not be allowed as deductions in excess of income and gains arising from a farm.

(c) [DEDUCTIONS ALLOWED; CARRYOVER DEDUCTIONS.] Expenses and losses arising from a farm or farms shall be allowed as deductions up to the amount of the income and gains arising from a farm or farms in any taxable year, plus the first \$15,000 of non-farm gross income, or non-farm taxable net income in the case of a corporation, provided however that in any case where non-farm income exceeds \$15,000, the maximum allowable amount of \$15,000 shall be reduced by twice the amount by which the non-farm income exceeds the amount of \$15,000. For this purpose and for the purpose of applying the limitation in the following para-

graph regarding the application of any carryback or carryforward, the term gross income shall include the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, as amended through December 31, 1981, and no deduction shall be allowed for two-earner married couples as provided in section 221 of the Internal Revenue Code of 1954, as amended through December 31, 1981. Any remaining balance of the deductions shall be carried back three years and carried forward five years, in chronological order, provided, however, that in any case in which any individual, estate or trust which elects a net operating loss carryforward under section 172(b)(3)(C) of the Internal Revenue Code of 1954, as amended through December 31, 1981, such losses shall not be carried back but shall only be carried forward.

Current expenses and losses shall be utilized as deductions in any taxable year, to the extent herein allowable, prior to the application of any carryback or carryover deductions. In any event, the combined amounts of such current expenses and losses and carryback or carryover deductions shall be allowed as deductions up to the amount of the income and gains arising from a farm or farms in any taxable year, plus the first \$15,000 of non-farm gross income, or non-farm taxable net income in the case of a corporation, provided however that in any case where non-farm income exceeds \$15,000, the maximum allowable amount of \$15,000 shall be reduced by twice the amount by which the non-farm income exceeds the amount of \$15,000.

(d) [SHAREHOLDERS SEPARATE ENTITIES.] For purposes of this subdivision, individual shareholders of an electing small business corporation shall be considered separate entities.

(e) [SPECIAL PERIOD OF LIMITATION WITH RESPECT TO FARM LOSS LIMITATION CARRYBACKS.] For the purposes of sections 290.46 and 290.50, if the claim for refund relates to an overpayment attributable to a farm loss limitation carryback under this subdivision, in lieu of the period of limitation prescribed in sections 290.46 and 290.50, the period of limitation shall be that period which ends with the expiration of the 15th day of the 46th month (or the 45th month, in the case of a corporation) following the end of the taxable year of the farm loss which results in the carryback.

(f) [INTEREST ON CLAIMS.] In any case in which a taxpayer is entitled to a refund in a carryback year due to the carryback of a farm loss, interest shall be computed only from the end of the taxable year in which the loss occurs.

(g) [ORDER OF APPLICATION.] The application of this subdivision shall be made after applying any limitation to out of state losses contained in section 290.17.

Sec. 6. Minnesota Statutes 1982, section 290.17, subdivision 2, is amended to read:

Subd. 2. [OTHER TAXPAYERS.] In the case of taxpayers not subject to the provisions of subdivision 1, items of gross income shall be assigned to this state or other states or countries in accordance with the following principles:

(1) (a) The entire income of all resident or domestic taxpayers from compensation for labor or personal services, or from a business consisting prin-

cipally of the performance of personal or professional services, shall be assigned to this state, and the income of nonresident taxpayers from such sources shall be assigned to this state if, and to the extent that, the labor or services are performed within it; all other income from such sources shall be treated as income from sources without this state.

(b) In the case of an individual who is a nonresident of Minnesota and who is an athlete or entertainer, income from compensation for labor or personal services performed within this state shall be determined in the following manner.

(i) The amount of income to be assigned to Minnesota for an individual who is a nonresident salaried athletic team employee shall be determined by using a fraction in which the denominator contains the total number of days in which the individual is under a duty to perform for the employer, and the numerator is the total number of those days spent in Minnesota. In order to eliminate the need to file state or provincial income tax returns in several states or provinces, Minnesota will exclude from income any income assigned to Minnesota under the provisions of this clause for a nonresident athlete who is employed by an athletic team whose operations are not based in this state if the state or province in which the athletic team is based provides a similar income exclusion. If the state or province in which the athletic team's operations are based does not have an income tax on an individual's personal service income, it will be deemed that that state or province has a similar income exclusion. As used in the preceding sentence, the term "province" means a province of Canada.

(ii) The amount of income to be assigned to Minnesota for an individual who is a nonresident, and who is an athlete not listed in clause (i), or who is an entertainer, for that person's athletic or entertainment performance in Minnesota shall be determined by assigning to this state all income from performances or athletic contests in this state.

(2) Income from the operation of a farm shall be assigned to this state if the farm is located within this state and to other states only if the farm is not located in this state. *Income from winnings on Minnesota pari-mutuel betting tickets shall be assigned to this state.* Income and gains received from tangible property not employed in the business of the recipient of such income or gains, and from tangible property employed in the business of such recipient if such business consists principally of the holding of such property and the collection of the income and gains therefrom, shall be assigned to this state if such property has a situs within it, and to other states only if it has no situs in this state. Income or gains from intangible personal property not employed in the business of the recipient of such income or gains, and from intangible personal property employed in the business of such recipient if such business consists principally of the holding of such property and the collection of the income and gains therefrom, wherever held, whether in trust, or otherwise, shall be assigned to this state if the recipient thereof is domiciled within this state; income or gains from intangible personal property wherever held, whether in trust or otherwise shall be assigned to this state if the recipient of such income or gains is domiciled within this state, or if the grantor of any trust is domiciled within this state and such income or gains would be taxable to such grantor under section 290.28 or 290.29;

(3) Income derived from carrying on a trade or business, including in the

case of a business owned by natural persons the income imputable to the owner for his services and the use of his property therein, shall be assigned to this state if the trade or business is conducted wholly within this state, and to other states if conducted wholly without this state. This provision shall not apply to business income subject to the provisions of clause (1);

(4) When a trade or business is carried on partly within and partly without this state, the entire income derived from such trade or business, including income from intangible property employed in such business and including, in the case of a business owned by natural persons, the income imputable to the owner for his services and the use of his property therein, shall be governed, except as otherwise provided in sections 290.35 and 290.36, by the provisions of section 290.19, notwithstanding any provisions of this section to the contrary. This shall not apply to business income subject to the provisions of clause (1), nor shall it apply to income from the operation of a farm which is subject to the provisions of clause (2). For the purposes of this clause, a trade or business located in Minnesota is carried on partly within and partly without this state if tangible personal property is sold by such trade or business and delivered or shipped to a purchaser located outside the state of Minnesota.

If the trade or business carried on wholly or partly in Minnesota is part of a unitary business, the entire income of that unitary business shall be subject to apportionment under section 290.19. The term "unitary business" shall mean a number of business activities or operations which are of mutual benefit, dependent upon, or contributory to one another, individually or as a group. Unity shall be presumed whenever there is unity of ownership, operation, and use, evidenced by centralized management or executive force, centralized purchasing, advertising, accounting, or other controlled interaction. Unity of ownership will not be deemed to exist unless the corporation owns more than 50 percent of the voting stock of the other corporation.

The entire income of a unitary business, including all income from each activity, operation or division, shall be subject to apportionment as provided in section 290.19. None of the income of a unitary business shall be considered as derived from any particular source and none shall be allocated to any particular place except as provided by the applicable apportionment formula.

In determining whether or not intangible property is employed in a unitary business carried on partly within and partly without this state so that income derived therefrom is subject to apportionment under section 290.19 the following rules and guidelines shall apply.

(a) Intangible property is employed in a business if the business entity owning intangible property holds it as a means of furthering the business operation of which a part is located within the territorial confines of this state.

(b) Where a business operation conducted in Minnesota, is owned by a business entity which carries on business activity outside of the state different in kind from that conducted within this state, and such other business is conducted entirely outside the state, it will be presumed that the two business operations are unitary in nature, interrelated, connected and in-

terdependent unless it can be shown to the contrary.

(5) In the case of a nonresident who is liable for payment of a penalty for having withdrawn funds from an individual housing account established pursuant to section 290.08, subdivision 25, the amount so withdrawn and for which a deduction was allowed shall be an item of income assignable to this state, and the penalty tax of ten percent shall remain an additional liability of that taxpayer.

(6) For purposes of this section, amounts received by a non-resident from the United States, its agencies or instrumentalities, the Federal Reserve Bank, the state of Minnesota or any of its political or governmental subdivisions, or a Minnesota volunteer fireman's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, or as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954, as amended through December 31, 1981, are not considered income derived from carrying on a trade or business or from performing personal or professional services in Minnesota, and are not taxable under this chapter.

(7) All other items of gross income shall be assigned to the taxpayer's domicile.

Sec. 7. Minnesota Statutes 1982, section 290.92, is amended by adding a subdivision to read:

Subd. 26. Any holder of a class A, B, or D license issued by the commission under article 2 of this act, who makes a payment or payments for winnings on a pari-mutuel betting ticket or tickets in an amount of \$200 or more to the same individual shall deduct from the payment or payments and withhold 11 percent of the amount as Minnesota withholding tax. For purposes of this subdivision, winnings from a pari-mutuel betting ticket must be determined by reducing the amount received by the amount paid for the ticket, and payments for winning on a pari-mutuel betting ticket which are not money must be taken into account at their fair market value. For purposes of the provisions of this section, a payment to any person of winnings which are subject to withholding must be treated as if the payment was a wage paid by an employer to an employee. Every individual who is to receive a payment of winnings which are subject to withholding shall furnish the license holder with a statement, made under the penalties of perjury, containing the name, address, and social security account number of the person receiving the payment and of each person entitled to any portion of such payment. The license holder is liable for the payment of the tax required to be withheld under this subdivision and subdivision 27 but is not liable to any person for the amount of the payment.

Sec. 8. Minnesota Statutes 1982, section 290.92, is amended by adding a subdivision to read:

Subd. 27. Any holder of a class A or B license issued by the commission under article 2 of this act who makes a payment to a holder of a class C license issued by the commission under article 2, section 7, of this act, or who pays an amount as a purse, shall deduct from the payment and withhold 11 percent of the amount as Minnesota withholding tax when the amount paid

to that individual during the calendar year exceeds \$200. For purposes of the provisions of this section, a payment to any person which is subject to withholding under this subdivision must be treated as if the payment was a wage paid by an employer to an employee. Every individual who is to receive a payment which is subject to withholding under this subdivision shall furnish the license holder with a statement, made under the penalties of perjury, containing the name, address, and social security account number of the person receiving the payment. No withholding is required if the individual presents a signed certificate from his employer which states that the individual is an employee of that employer. A nonresident individual who holds a class C license must be treated as an athlete for purposes of applying the provisions of sections 290.17, subdivision 2(1)(b)(ii) and 290.92, subdivision 4a.

Sec. 9. Minnesota Statutes 1982, section 609.75, subdivision 1, is amended to read:

Subdivision 1. [LOTTERY.] (a) A lottery is a plan which provides for the distribution of money, property or other reward or benefit to persons selected by chance from among participants some or all of whom have given a consideration for the chance of being selected.

(b) An in-package chance promotion is not a lottery if all of the following are met:

(1) participation is available, free and without purchase of the package, from the retailer or by mail or toll-free telephone request to the sponsor for entry or for a game piece;

(2) the label of the promotional package and any related advertising clearly states any method of participation and the scheduled termination date of the promotion;

(3) the sponsor on request provides a retailer with a supply of entry forms or game pieces adequate to permit free participation in the promotion by the retailer's customers;

(4) the sponsor does not misrepresent a participant's chances of winning any prize;

(5) The sponsor randomly distributes all game pieces and maintains records of random distribution for at least one year after the termination date of the promotion;

(6) all prizes are randomly awarded if game pieces are not used in the promotion; and

(7) the sponsor provides on request of a state agency a record of the names and addresses of all winners of prizes valued at \$100 or more, if the request is made within one year after the termination date of the promotion.

(c) Except as provided by section 349.40, acts in this state in furtherance of a lottery conducted outside of this state are included notwithstanding its validity where conducted.

Sec. 10. Minnesota Statutes 1982, section 609.75, subdivision 3, is amended to read:

Subd. 3. [WHAT ARE NOT BETS.] The following are not bets:

(1) A contract to insure, indemnify, guarantee or otherwise compensate another for a harm or loss sustained, even though the loss depends upon chance.

(2) A contract for the purchase or sale at a future date of securities or other commodities.

(3) Offers of purses, prizes or premiums to the actual contestants in any bona fide contest for the determination of skill, speed, strength, endurance, or quality or to the bona fide owners of animals or other property entered in such a contest.

(4) The game of bingo when conducted in compliance with sections 349.11 to 349.23.

(5) A private social bet not part of or incidental to organized, commercialized, or systematic gambling.

(6) The operation of a gambling device or the conduct of a raffle as defined in section 349.26, by an organization licensed for such operation by a local unit of government pursuant to section 349.26.

(7) *Pari-mutuel betting on horse racing when conducted under articles 2 to 5.*

Sec. 11. Minnesota Statutes 1982, chapter 609.75, is amended by adding a subdivision to read:

Subd. 7. [SPORTS BOOKMAKING.] Sports bookmaking is the activity of intentionally receiving, recording, or forwarding bets or offers to bet in amounts exceeding an accumulation of \$300 on the outcome of an organized sporting event.

Sec. 12. Minnesota Statutes 1982, chapter 609.76, is amended to read:

609.76 [OTHER ACTS RELATING TO GAMBLING.]

Subdivision 1. [GROSS MISDEMEANORS.] Whoever does any of the following may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$1,000, or both:

(1) Maintains or operates a gambling place or operates a bucket shop; or

(2) Intentionally participates in the income of a gambling place or bucket shop; or

(3) Conducts a lottery, or, with intent to conduct a lottery, possesses facilities for doing so; or

(4) Sets up for use for the purpose of gambling, or collects the proceeds of, any gambling device or bucket shop; or

(5) With intent that it shall be so used, manufactures, sells or offers for sale, in whole or any part thereof, any gambling device including those defined in section 349.30, subdivision 2, and any facility for conducting a lottery, except as provided by section 349.40; or

(6) Receives, records, or forwards bets or offers to bet or, with intent to receive, record, or forward bets or offers to bet, possesses facilities to do so.

Subd. 2. [FELONY GAMBLING.] Whoever engages in sports bookmaking

is guilty of a felony.

Sec. 13. Minnesota Statutes 1982, section 609.761, is amended to read:

609.761 [OPERATION PERMITTED.]

Notwithstanding sections 609.755 and 609.76, a fraternal, religious, veterans or other nonprofit organization may set up or operate a gambling device or conduct a raffle as defined in section 349.26, if licensed by the local unit of government and conducted ~~pursuant to~~ under section 349.26, and a person may manufacture, sell or offer for sale a gambling device to the organization, *and pari-mutuel betting on horse racing may be conducted under chapter ...*

Sec. 14. [609.762] [FORFEITURE OF GAMBLING DEVICES, PRIZES, AND PROCEEDS.]

Subdivision 1. [FORFEITURE.] The following are subject to forfeiture:

(a) Devices used or intended for use, including those defined in section 349.30, subdivision 2, as a gambling device;

(b) All moneys, materials, and other property used or intended for use as payment to participate in gambling or a prize or receipt for gambling; and

(c) Books, records, and research products and materials, including formulas, microfilm, tapes, and data used or intended for use in gambling.

Subd. 2. [SEIZURE.] Property subject to forfeiture under subdivision 1 may be seized by any law enforcement agency upon process issued by any court having jurisdiction over the property. Seizure without process may be made if:

(a) The seizure is incident to an arrest or a search under a search warrant;

(b) the property subject to seizure has been the subject of a prior judgment in favor of the state in a criminal injunction or forfeiture proceeding; or

(c) The law enforcement agency has probable cause to believe that the property was used or is intended to be used in a gambling violation and the delay occasioned by the necessity to obtain process would result in the removal, loss, or destruction of the property.

Subd. 3. [NOT SUBJECT TO REPLEVIN.] Property taken or detained under subdivision 2 is not subject to a replevin action, but is considered to be in the custody of the law enforcement agency subject only to the orders and decrees of the court having jurisdiction over the forfeiture proceedings.

Subd. 4. [PROCEDURES.] Property must be forfeited after a conviction for a gambling violation according to the following procedure:

(a) A separate complaint must be filed against the property describing it, charging its use in the specified violation, and specifying the time and place of its unlawful use;

(b) If the person charged with a gambling offense is acquitted, the court shall dismiss the complaint and order the property returned to the persons legally entitled to it; and

(c) If after conviction the court finds the property, or any part of it, was

used in violation as specified in the complaint, it shall order that the property be sold or retained by the law enforcement agency for official use. Proceeds from the sale of forfeited property may be retained for official use and shared equally between the law enforcement agency investigating the offense involved in the forfeiture and the prosecuting agency that prosecuted the offense involved in the forfeiture and handled the forfeiture proceedings.

Sec. 15. [APPROPRIATION.]

There is appropriated from the general fund to the commission the sum of \$....., or so much thereof as is necessary for the commission to carry out the purposes of this act. There is appropriated from the general fund to the commissioner the sum of \$....., or so much thereof as is necessary for the commissioner to carry out the purposes of this act. Notwithstanding the provisions of section 16A.28, the appropriation is available until expended.

Sec. 16. [NONAPPLICABILITY.]

The provisions of this act except article 5, section 1, subdivisions 3 and 4, the corresponding penalties provided for those subdivisions under subdivision 8, and article 7, sections 11, 12, and 14, do not apply to horse racing on which pari-mutuel betting is not conducted.

Sec. 17. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to horse racing; defining certain terms; establishing a racing commission and providing for its membership, powers, and duties; authorizing the licensing of persons to operate racetracks, conduct horse racing, and engage in certain occupations; prescribing license fees; authorizing the assigning of racing days; establishing a division of pari-mutuel betting in the department of public safety and providing for the powers and duties of the commissioner; authorizing pari-mutuel betting on horse racing and prescribing taxes thereon; providing for the regulation of horse racing and establishing fines; establishing a breeders fund; prohibiting certain acts relating to horse racing and establishing penalties; providing for the recommendation of legislation establishing treatment programs for compulsive gamblers; amending miscellaneous statutes to include pari-mutuel related provisions; providing a withholding tax on certain pari-mutuel winnings and on occupation license holders; clarifying what is not a lottery; defining sports bookmaking and making it a felony; providing for the forfeiture of certain gambling devices, prizes, and proceeds; appropriating money; amending Minnesota Statutes 1982, sections 10A.09, subdivisions 1 and 5; 38.04; 290.09, subdivisions 5 and 29; 290.17, subdivision 2; 290.92, by adding subdivisions; 609.75, subdivisions 1 and 3, and by adding a subdivision; 609.76; 609.761; proposing new law coded as Minnesota Statutes, chapter 299J, proposing new law coded in Minnesota Statutes, chapter 609."

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

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

which was referred

H.F. No. 581 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.
				581	546

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 581 be amended as follows:

Page 1, line 23, after "*recorder*" insert a comma

And when so amended H.F. No. 581 will be identical to S.F. No. 546, and further recommends that H.F. No. 581 be given its second reading and substituted for S.F. No. 546, 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. 482 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.
				482	495

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 482 be amended as follows:

Page 1, line 22, after "*as*" insert "*not public.*"

Page 1, delete lines 23 through 25

And when so amended H.F. No. 482 will be identical to S.F. No. 495, and further recommends that H.F. No. 482 be given its second reading and substituted for S.F. No. 495, 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. 508 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.
				508	714

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 508 be amended as follows:

Amend the title as follows:

Page 1, line 2, delete everything after the first semicolon

Page 1, delete line 3

Page 1, line 4, delete everything before the semicolon and insert "requiring all notices of cancellation of homeowner's policies to be written in language that is easy to read and understandable"

And when so amended H.F. No. 508 will be identical to S.F. No. 714, and further recommends that H.F. No. 508 be given its second reading and substituted for S.F. No. 714, 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. 553 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.
553	446				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 553 be amended as follows:

Page 2, line 8, delete "..... None"

Page 2, lines 11 to 20, reinstate the old language and delete the new language

Page 3, after line 17, insert:

"Sec. 4. [203B.085] [COUNTY AUDITOR'S OFFICE TO REMAIN OPEN DURING CERTAIN HOURS PRECEDING ELECTION.]

The county auditor's office in each county must be open for acceptance of absentee ballot applications and casting of absentee ballots between the hours of 1:00 to 3:00 p.m. on Saturday and Sunday and 5:00 to 7:00 p.m. on Monday immediately preceding a primary or general election."

Page 5, line 33 to page 6, line 1, delete section 11

Page 8, lines 2 to 7, reinstate the old language and delete the new language

Page 8, line 8, delete “*other*”

Page 9, line 26, after “*and 7;*” insert “*and*”

Page 9, line 26, delete “*; and 204B.36, subdivision 5*”

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 9 and 10, delete “204C.03, by adding a subdivision;”

Page 1, line 14, after “subdivision 4;” insert “proposing new law coded in Minnesota Statutes, chapter 203B;”

Page 1, line 15, after “subdivisions 6 and 7;” insert “and”

Page 1, line 16, delete “*; and 204B.36, subdivision 5*”

And when so amended H.F. No. 553 will be identical to S.F. No. 446, and further recommends that H.F. No. 553 be given its second reading and substituted for S.F. No. 446, 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. 511 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.
511	392				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 511 be amended as follows:

Page 1, line 12, delete “*pertinent*” and insert “*appurtenant*”

And when so amended H.F. No. 511 will be identical to S.F. No. 392, and further recommends that H.F. No. 511 be given its second reading and substituted for S.F. No. 392, 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. 189 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.
189	411				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 189 be amended as follows:

Page 3, line 36, delete "*reasonable extent*" and insert "*extent reasonable*."

Page 5, line 11, after "biomass" insert a comma

Page 5, line 11, delete "*such*" and insert "*the*"

Page 6, line 4, strike "order" and insert "*orders*"

Page 6, line 16, delete the comma after "*programs*"

Page 6, line 21, insert "*two*" after "*previous*"

Page 6, line 33, delete the comma

Page 6, delete line 34

Page 6, line 35, delete the new language

And when so amended H.F. No. 189 will be identical to S.F. No. 411, and further recommends that H.F. No. 189 be given its second reading and substituted for S.F. No. 411, 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. 314 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.
314	368				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 314 be amended as follows:

Page 11, line 17, delete "60A.17" and insert "62A.17"

Page 11, line 18, delete "subdivisions" and insert "a subdivision"

Page 11, line 21, delete "*shall*" and insert "*must*" and after "*a*" insert "*business*"

Page 11, line 23, delete "*such*" and insert "*the*"

Page 11, after line 24, insert:

"Sec. 5. Minnesota Statutes 1982, section 60A.17, is amended by adding a subdivision to read:"

Page 12, after line 14, insert:

"(c) No agent or person acting for an agent shall make any communication to a potential buyer that indicates or gives the impression that the agent is acting on behalf of a government agency."

Sec. 6. Minnesota Statutes 1982, section 60A.17, is amended by adding a subdivision to read:

Subd. 19. [PRIVACY OF CLIENT.] Except as otherwise provided by law, no insurance agent may disclose nor cause to be disclosed to any other person the identity of a person insured through the agent without the consent of the insured."

Page 12, line 16, after "policy" insert " , except mass marketed life insurance as defined in section 72A.13, subdivision 2, "

Page 14, line 35, delete the headnote and insert "[DUPLICATE COVERAGE PROHIBITED.]"

Page 15, lines 1 and 2, delete "two or more such plans in effect" and insert "one plan in effect; however, an agent may sell a replacement plan in accordance with section 62A.40, provided that the second plan is not made effective any sooner than necessary to provide continuous benefits for preexisting conditions"

Page 15, lines 8 and 9, delete "two or more such policies then in effect" and insert "one plan then in effect, except as permitted in subdivision 1,"

Page 15, lines 13 and 14, delete "two or more plans," and insert "one plan, except as permitted in subdivision 1,"

Page 15, line 22, insert a comma after "plan"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "requiring insurance agents to maintain trust accounts;"

Page 1, line 3, delete everything after the semicolon

Page 1, line 4, delete "of premiums;"

Page 1, line 16, before "62A.31," insert "62A.17, by adding a subdivision;"

And when so amended H.F. No. 314 will be identical to S.F. No. 368, and further recommends that H.F. No. 314 be given its second reading and substituted for S.F. No. 368, 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 re-

ferred the following appointment as reported in the Journal for January 31, 1983:

**BUREAU OF MEDIATION SERVICES
DIRECTOR**

Paul Goldberg

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

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

Mr. Chmielewski from the Committee on Employment, to which was referred the following appointment as reported in the Journal for March 7, 1983:

OCCUPATIONAL SAFETY AND HEALTH REVIEW BOARD

Kenneth L. Sovereign

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

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

SECOND READING OF SENATE BILLS

S.F. Nos. 289, 616, 180, 538, 904, 711, 927, 1082, 601, 721, 934, 799, 969, 892, 996, 1106, 1052, 679, 607, 156, 824, 1109, 762, 921, 492, 1012, 755 and 803 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 653, 581, 482, 508, 553, 511, 189 and 314 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Chmielewski moved that the name of Mr. Pehler be added as a co-author to S.F. No. 6. The motion prevailed.

Ms. Peterson, D.C. moved that the name of Mr. Dahl be added as a co-author to S.F. No. 497. The motion prevailed.

Mr. Novak moved that the names of Ms. Peterson, D.C. and Mr. Vega be added as co-authors to S.F. No. 610. The motion prevailed.

Mr. Peterson, C.C. moved that his name be stricken as a co-author to S.F. No. 738. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Pehler be added as a co-author to S.F. No. 1011. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1141. The motion prevailed.

Mr. Frank introduced—

Senate Resolution No. 48: A Senate resolution congratulating the Hylanders hockey team from Columbia Heights High School for winning fourth place in the 1983 State High School Hockey Tournament.

Referred to the Committee on Rules and Administration.

Mr. Frank introduced—

Senate Resolution No. 49: A Senate resolution congratulating the Panthers girl's basketball team from Spring Lake Park High School for participating in the 1983 Class AA State High School Girl's Basketball Championship.

Referred to the Committee on Rules and Administration.

Ms. Reichgott introduced—

Senate Resolution No. 50: A Senate resolution congratulating Carolyn Mattson for winning the 1983 Miss Minnesota-U.S.A. Pageant.

Referred to the Committee on Rules and Administration.

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

CONSENT CALENDAR

S.F. No. 34: A bill for an act relating to elections; requiring representation of unorganized townships in appointment of election judges by certain county boards; amending Minnesota Statutes 1982, section 204B.21.

Mr. Dieterich moved to amend S.F. No. 34 as follows:

Page 2, line 7, after "*precinct*" insert "*, except precincts in Ramsey County,*"

The motion prevailed. So the amendment was adopted.

S.F. No. 34 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 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Pehler	Sieloff
Anderson	Dieterich	Kronebusch	Peterson, C.C.	Solon
Belanger	Frank	Laidig	Peterson, D.C.	Spear
Benson	Frederickson	Langseth	Peterson, D.L.	Stumpf
Berg	Freeman	Lantry	Peterson, R.W.	Taylor
Berglin	Isackson	Lessard	Petty	Ulland
Bertram	Johnson, D.E.	Luther	Pogemiller	Waldorf
Brataas	Johnson, D.J.	McQuaid	Purfeerst	Wegscheid
Chmielewski	Jude	Mehrkens	Ramstad	Willet
Dahl	Kamrath	Merriam	Reichgott	
Davis	Knaak	Moe, R. D.	Renneke	
DeCramer	Knutson	Nelson	Schmitz	

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

H.F. No. 706: A bill for an act relating to retirement; public employees

retirement association; providing for refund of contributions after a layoff of 120 calendar days; amending Minnesota Statutes 1982, section 353.34, subdivision 1.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Schmitz
Belanger	Frank	Laidig	Pehler	Sieloff
Benson	Frederickson	Langseth	Peterson, C. C.	Solon
Berg	Freeman	Lantry	Peterson, D. C.	Spear
Berglin	Isackson	Lessard	Peterson, D. L.	Stumpf
Bertram	Johnson, D. E.	Luther	Peterson, R. W.	Taylor
Brataas	Johnson, D. J.	McQuaid	Petty	Ulland
Chmielewski	Jude	Mehrkens	Pogemiller	Waldorf
Dahl	Kamrath	Merriam	Purfeerst	Wegscheid
Davis	Knaak	Moe, R. D.	Ramstad	Willett
DeCramer	Knutson	Nelson	Reichgott	

So the bill passed and its title was agreed to.

H.F. No. 597: A bill for an act relating to retirement; adding a correctional employees plan member to the state retirement system board; consolidating and eliminating obsolete language; amending Minnesota Statutes 1982, sections 352.03, subdivision 1; and 352B.29.

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 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Pehler	Solon
Anderson	Dieterich	Kronebusch	Peterson, C. C.	Spear
Belanger	Frank	Laidig	Peterson, D. C.	Stumpf
Benson	Frederickson	Langseth	Peterson, D. L.	Taylor
Berg	Freeman	Lantry	Peterson, R. W.	Ulland
Berglin	Isackson	Lessard	Petty	Waldorf
Bertram	Johnson, D. E.	Luther	Pogemiller	Wegscheid
Brataas	Johnson, D. J.	McQuaid	Purfeerst	Willett
Chmielewski	Jude	Merriam	Ramstad	
Dahl	Kamrath	Moe, R. D.	Reichgott	
Davis	Knaak	Nelson	Renneke	
DeCramer	Knutson	Olson	Sieloff	

So the bill passed and its title was agreed to.

H.F. No. 396: A bill for an act relating to retirement; authorizing benefit increases for retired Eveleth police officers, firefighters, and surviving spouses.

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:

Adkins	Diessner	Knutson	Nelson	Reichgott
Anderson	Dieterich	Kroening	Novak	Renneke
Belanger	Frank	Kronebusch	Olson	Schmitz
Benson	Frederick	Laidig	Pehler	Sieloff
Berg	Frederickson	Langseth	Peterson, C.C.	Solon
Berglin	Freeman	Lantry	Peterson, D.C.	Spear
Bertram	Isackson	Lessard	Peterson, D.L.	Stumpf
Brataas	Johnson, D.E.	Luther	Peterson, R.W.	Taylor
Chmielewski	Johnson, D.J.	McQuaid	Petty	Ulland
Dahl	Jude	Mehrkens	Pogemiller	Waldorf
Davis	Kamrath	Merriam	Purfeerst	Wegscheid
DeCramer	Knaak	Moe, R. D.	Ramstad	Willet

So the bill passed and its title was agreed to.

H.F. No. 573: A bill for an act relating to retirement; Brooklyn Park volunteer firefighters relief association; repealing Laws 1975, chapter 237, as amended.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Frank	Kronebusch	Olson	Schmitz
Belanger	Frederick	Laidig	Pehler	Sieloff
Benson	Frederickson	Langseth	Peterson, C.C.	Solon
Berglin	Freeman	Lantry	Peterson, D.C.	Spear
Bertram	Isackson	Lessard	Peterson, D.L.	Stumpf
Brataas	Johnson, D.E.	Luther	Peterson, R.W.	Taylor
Chmielewski	Johnson, D.J.	McQuaid	Petty	Ulland
Dahl	Jude	Mehrkens	Pogemiller	Waldorf
Davis	Kamrath	Merriam	Purfeerst	Wegscheid
DeCramer	Knaak	Moe, R. D.	Ramstad	Willet
Diessner	Knutson	Nelson	Reichgott	
Dieterich	Kroening	Novak	Renneke	

So the bill passed and its title was agreed to.

H.F. No. 430: A bill for an act relating to retirement; authorizing the purchase of annuity contracts for retiring Tracy firefighters.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Schmitz
Belanger	Frank	Laidig	Pehler	Sieloff
Benson	Frederick	Langseth	Peterson, C.C.	Solon
Berg	Frederickson	Lantry	Peterson, D.C.	Spear
Berglin	Freeman	Lessard	Peterson, D.L.	Stumpf
Bertram	Isackson	Luther	Peterson, R.W.	Taylor
Brataas	Johnson, D.E.	McQuaid	Petty	Ulland
Chmielewski	Jude	Mehrkens	Pogemiller	Waldorf
Dahl	Kamrath	Merriam	Purfeerst	Wegscheid
Davis	Knaak	Moe, R.D.	Ramstad	Willet
DeCramer	Knutson	Nelson	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 833: A bill for an act relating to retirement; White Bear Lake volunteer firefighters; providing for incentive benefit amounts, validating prior actions; repealing Laws 1971, chapter 214; Laws 1979, chapter 201, sections 30 and 31; Laws 1981, chapter 224, section 257.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Schmitz
Belanger	Frank	Laidig	Pehler	Sieloff
Benson	Frederick	Langseth	Peterson, C.C.	Solon
Berg	Frederickson	Lantry	Peterson, D.C.	Spear
Berglin	Freeman	Lessard	Peterson, D.L.	Stumpf
Bertram	Isackson	Luther	Peterson, R.W.	Taylor
Brataas	Johnson, D.E.	McQuaid	Petty	Ulland
Chmielewski	Jude	Mehrkins	Pogemiller	Waldorf
Dahl	Kamrath	Merriam	Purfeerst	Wegscheid
Davis	Knaak	Moe, R. D.	Ramstad	Willet
DeCramer	Knutson	Nelson	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 659: A bill for an act relating to the city of Crookston; providing for membership in the public employees police and fire fund by a certain police officer.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Schmitz
Belanger	Frank	Laidig	Pehler	Sieloff
Benson	Frederick	Langseth	Peterson, C.C.	Solon
Berg	Frederickson	Lantry	Peterson, D.C.	Spear
Berglin	Freeman	Lessard	Peterson, D.L.	Stumpf
Bertram	Isackson	Luther	Peterson, R.W.	Taylor
Brataas	Johnson, D.E.	McQuaid	Petty	Ulland
Chmielewski	Jude	Mehrkins	Pogemiller	Waldorf
Dahl	Kamrath	Merriam	Purfeerst	Wegscheid
Davis	Knaak	Moe, R. D.	Ramstad	Willet
DeCramer	Knutson	Nelson	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 767: A bill for an act relating to retirement; authorizing the purchase of prior service credit in the Minnesota state retirement system by certain employees or former employees of the legislature or joint legislative agencies or commissions; proposing new law coded in Minnesota Statutes, chapter 352D.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Schmitz
Anderson	Dieterich	Kronebusch	Olson	Sieloff
Belanger	Frank	Laidig	Pehler	Solon
Benson	Frederick	Langseth	Peterson, D.C.	Spear
Berg	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R.W.	Taylor
Bertram	Isackson	Luther	Petty	Ulland
Brataas	Johnson, D.E.	McQuaid	Pogemiller	Waldorf
Chmielewski	Jude	Mehrkins	Purfleerst	Wegscheid
Dahl	Kamrath	Merriam	Ramstad	Willet
Davis	Knaak	Moe, R. D.	Reichgott	
DeCramer	Knutson	Nelson	Renneke	

So the bill passed and its title was agreed to.

S.F. No. 827: A bill for an act relating to retirement; public employees retirement association; removing a waiting period prior to the effect of an optional annuity for disabilitants; amending Minnesota Statutes 1982, sections 353.33, subdivision 3a; and 353.656, subdivision 1a.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Schmitz
Belanger	Frank	Laidig	Pehler	Sieloff
Benson	Frederick	Langseth	Peterson, C.C.	Solon
Berg	Frederickson	Lantry	Peterson, D.C.	Spear
Berglin	Freeman	Lessard	Peterson, D.L.	Stumpf
Bertram	Isackson	Luther	Peterson, R.W.	Taylor
Brataas	Johnson, D.E.	McQuaid	Petty	Ulland
Chmielewski	Jude	Mehrkins	Pogemiller	Waldorf
Dahl	Kamrath	Merriam	Purfleerst	Wegscheid
Davis	Knaak	Moe, R. D.	Ramstad	Willet
DeCramer	Knutson	Nelson	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 660: A bill for an act relating to retirement; public plans generally; providing for the fiduciary obligation of trustees; providing that moneys of public pension plans are for the exclusive benefit of eligible employees and their beneficiaries; amending Minnesota Statutes 1982, section 354A.021, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 356.

Mr. Peterson, C.C. moved that S.F. No. 660, No. 21 on the Consent Calendar, be stricken and placed at the bottom of General Orders. The motion prevailed.

S.F. No. 147: A bill for an act relating to retirement; employee and employer contributions to the Minnesota state retirement system; amending Minnesota Statutes 1982, section 352.92, subdivisions 1 and 2.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Schmitz
Belanger	Frank	Laidig	Pehler	Sieloff
Benson	Frederick	Langseth	Peterson, C. C.	Solon
Berg	Frederickson	Lantry	Peterson, D. C.	Spear
Berglin	Freeman	Lessard	Peterson, D. L.	Stumpf
Bertram	Isackson	Luther	Peterson, R. W.	Taylor
Brataas	Johnson, D. E.	McQuaid	Petty	Ulland
Chmielewski	Jude	Mehrkens	Pogemiller	Waldorf
Dahl	Kamrath	Merriam	Purfeerst	Wegscheid
Davis	Knaak	Moe, R. D.	Ramstad	Willet
DeCramer	Knutson	Nelson	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 936: A bill for an act relating to retirement; the Minneapolis police relief association; board membership; sources and uses of funds; member contributions; amending Laws 1949, Chapter 406, Sections 1, Subdivision 1, as amended; 3, as amended; 4, Subdivisions 2 and 3, as amended; 5, Subdivisions 1, 3, and 5, as amended; and 6, Subdivision 3, as amended; Laws 1953, Chapter 127, Sections 1, Subdivisions 1, as amended, and 4, and by adding a subdivision; and Laws 1965, Chapter 493, Section 5.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C. C.	Spear
Benson	Frederick	Langseth	Peterson, D. C.	Stumpf
Berg	Frederickson	Lantry	Peterson, D. L.	Taylor
Berglin	Freeman	Luther	Peterson, R. W.	Ulland
Bertram	Isackson	McQuaid	Petty	Waldorf
Brataas	Johnson, D. E.	Mehrkens	Pogemiller	Wegscheid
Chmielewski	Jude	Merriam	Purfeerst	Willet
Dahl	Kamrath	Moe, R. D.	Ramstad	
Davis	Knaak	Nelson	Reichgott	
DeCramer	Knutson	Novak	Renneke	

So the bill passed and its title was agreed to.

S.F. No. 855: A bill for an act relating to motor vehicles; exempting certain vehicles from license fees; authorizing the use of certain state department vehicles without uniform coloring or marking; amending Minnesota Statutes 1982, sections 16.75, subdivision 7; and 168.012, subdivision 1.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Schmitz
Belanger	Frank	Laidig	Pehler	Sieloff
Benson	Frederick	Langseth	Peterson, C.C.	Solon
Berg	Frederickson	Lantry	Peterson, D.C.	Spear
Berglin	Freeman	Lessard	Peterson, D.L.	Stumpf
Bertram	Isackson	Luther	Peterson, R.W.	Taylor
Brataas	Johnson, D.E.	McQuaid	Petty	Ulland
Chmielewski	Jude	Mehrrens	Pogemiller	Waldorf
Dahl	Kamrath	Merriam	Purfeerst	Wegscheid
Davis	Knaak	Moe, R.D.	Ramstad	Willett
DeCramer	Knutson	Nelson	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 1104: A bill for an act relating to motor vehicles; clarifying requirements for issuance of a Minnesota identification card; amending Minnesota Statutes 1982, section 171.07, subdivision 3.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Schmitz
Belanger	Frank	Laidig	Pehler	Sieloff
Benson	Frederick	Langseth	Peterson, C.C.	Solon
Berg	Frederickson	Lantry	Peterson, D.C.	Spear
Berglin	Freeman	Lessard	Peterson, D.L.	Stumpf
Bertram	Isackson	Luther	Peterson, R.W.	Taylor
Brataas	Johnson, D.E.	McQuaid	Petty	Ulland
Chmielewski	Jude	Mehrrens	Pogemiller	Waldorf
Dahl	Kamrath	Merriam	Purfeerst	Wegscheid
Davis	Knaak	Moe, R. D.	Ramstad	Willett
DeCramer	Knutson	Nelson	Reichgott	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Petty moved that S.F. No. 523, No. 73 on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

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

CALENDAR

H.F. No. 406: A bill for an act relating to civil actions; allowing prevailing parties to recover disbursements for process served by private process servers; amending Minnesota Statutes 1982, section 549.04.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Schnitz
Belanger	Frank	Laidig	Pehler	Sieloff
Benson	Frederick	Langseth	Peterson, C. C.	Solon
Berg	Frederickson	Lantry	Peterson, D. C.	Spear
Berglin	Freeman	Lessard	Peterson, D. L.	Stumpf
Bertram	Isackson	Luther	Peterson, R. W.	Taylor
Brataas	Johnson, D. E.	McQuaid	Petty	Ulland
Chmielewski	Jude	Mehrkins	Pogemiller	Waldorf
Dahl	Kamrath	Merriam	Purfeerst	Wegscheid
Davis	Knaak	Moe, R. D.	Ramstad	Willet
DeCramer	Knutson	Nelson	Reichgott	

So the bill passed and its title was agreed to.

H.F. No. 381: A bill for an act relating to taxation; adopting certain federal provisions relating to income taxes; updating certain references to the Internal Revenue Code; adopting certain federal provisions relating to the determination of interest rates on taxes; imposing penalties; amending Minnesota Statutes 1982, sections 270.75, subdivision 5; 290.01, subdivisions 20, 20a, as amended, 20c, and 20f; 290.05, subdivision 6; 290.068, subdivisions 3 and 4; 290.09, subdivisions 2, 7, as amended, and 29; 290.091; 290.10; 290.135, subdivision 1, as amended; 290.16, subdivisions 7 and 16; 290.17, subdivision 1; 290.26, subdivision 2; 290.37, by adding a subdivision; 290.41, subdivisions 3, 8, and by adding a subdivision; 290.45, subdivision 1; 290.48, by adding a subdivision; 290.53, subdivision 2, and by adding subdivisions; 290.92, subdivisions 7, 13, 15, and by adding a subdivision; 290.93, subdivisions 9 and 10; 290.934, subdivision 4; 290.9725; 290.9726, subdivisions 5 and 6; 290.974; 290A.03, subdivision 3; proposing new law coded in Minnesota Statutes, chapter 290; repealing Minnesota Statutes 1982, sections 290.01, subdivision 28; and 290.93, subdivision 11.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 37 and nays 22, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Lessard	Peterson, D. C.	Spear
Berglin	Frank	Luther	Peterson, R. W.	Stumpf
Bertram	Freeman	Merriam	Petty	Waldorf
Chmielewski	Jude	Moe, R. D.	Pogemiller	Wegscheid
Dahl	Kroening	Nelson	Purfeerst	Willet
Davis	Kronebusch	Novak	Reichgott	
DeCramer	Langseth	Pehler	Schnitz	
Diessner	Lantry	Peterson, C. C.	Solon	

Those who voted in the negative were:

Anderson	Frederick	Knaak	Olson	Taylor
Belanger	Frederickson	Knutson	Peterson, D. L.	Ulland
Benson	Isackson	Laidig	Ramstad	
Berg	Johnson, D. E.	McQuaid	Renneke	
Brataas	Kamrath	Mehrkins	Sieloff	

So the bill passed and its title was agreed to.

S.F. No. 234: A bill for an act relating to the town of Windemere; permit-

ting the town to have the powers of a metropolitan area town.

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 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kronebusch	Olson	Sieloff
Anderson	Frank	Laidig	Pehler	Solon
Belanger	Frederick	Langseth	Peterson, C.C.	Spear
Benson	Frederickson	Lantry	Peterson, D.C.	Stumpf
Berg	Freeman	Lessard	Peterson, R.W.	Taylor
Berglin	Isackson	Luther	Petty	Ulland
Bertram	Johnson, D.E.	McQuaid	Pogemiller	Waldorf
Chmielewski	Jude	Mehrkins	Purfeerst	Wegscheid
Dahl	Kamrath	Merriam	Ramstad	Willet
Davis	Knaak	Moe, R.D.	Reichgott	
DeCramer	Knutson	Nelson	Renneke	
Diessner	Kroening	Novak	Schmitz	

So the bill passed and its title was agreed to.

S.F. No. 416: A bill for an act relating to certain towns in Goodhue County; authorizing the town board to set the hours the polling places will be open in town elections.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kronebusch	Olson	Samuelson
Anderson	Frank	Laidig	Pehler	Schmitz
Belanger	Frederick	Langseth	Peterson, C.C.	Sieloff
Benson	Frederickson	Lantry	Peterson, D.C.	Solon
Berg	Freeman	Lessard	Peterson, D.L.	Spear
Berglin	Isackson	Luther	Peterson, R.W.	Stumpf
Bertram	Johnson, D.E.	McQuaid	Petty	Taylor
Brataas	Jude	Mehrkins	Pogemiller	Ulland
Chmielewski	Kamrath	Merriam	Purfeerst	Waldorf
Davis	Knaak	Moe, R. D.	Ramstad	Wegscheid
DeCramer	Knutson	Nelson	Reichgott	Willet
Diessner	Kroening	Novak	Renneke	

Mr. Dahl voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 92: A bill for an act relating to towns, cities, and counties; requiring other government units to give notice to towns, cities, and counties of actions that affect land use or taxation; proposing new law coded in Minnesota Statutes, chapter 471.

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:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Samuelson
Belanger	Frank	Laidig	Pehler	Schmitz
Benson	Frederick	Langseth	Peterson, C. C.	Sieloff
Berg	Frederickson	Lantry	Peterson, D. C.	Solon
Berglin	Freeman	Lessard	Peterson, D. L.	Spear
Bertram	Isackson	Luther	Peterson, R. W.	Stumpf
Brataas	Johnson, D. E.	McQuaid	Petty	Taylor
Chmielewski	Jude	Mehrkins	Pogemiller	Ulland
Dahl	Kamrath	Merriam	Purfeerst	Waldorf
Davis	Knaak	Moe, R. D.	Ramstad	Wegscheid
DeCramer	Knutson	Nelson	Reichgott	Willet

So the bill passed and its title was agreed to.

S.F. No. 403: A bill for an act relating to agriculture; making certain changes in the family farm security loan program; amending Minnesota Statutes 1982, sections 15.38, by adding a subdivision; 16.02, subdivision 14; 41.52, by adding a subdivision; 41.53, subdivision 2; 41.54, subdivision 2; 41.55; 41.56, subdivisions 4, 5, and by adding subdivisions; 41.57, subdivision 2, and by adding a subdivision; 41.58, subdivision 1; 41.59, subdivisions 1, 2, and 3; and 41.61, subdivision 1.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Samuelson
Anderson	Dieterich	Kronebusch	Pehler	Schmitz
Belanger	Frank	Laidig	Peterson, C. C.	Sieloff
Benson	Frederick	Langseth	Peterson, D. C.	Solon
Berg	Frederickson	Lantry	Peterson, D. L.	Spear
Berglin	Freeman	Lessard	Peterson, R. W.	Stumpf
Bertram	Isackson	Luther	Petty	Taylor
Brataas	Johnson, D. E.	McQuaid	Pogemiller	Ulland
Chmielewski	Jude	Mehrkins	Purfeerst	Waldorf
Dahl	Kamrath	Merriam	Ramstad	Wegscheid
Davis	Knaak	Moe, R. D.	Reichgott	Willet
DeCramer	Knutson	Nelson	Renneke	

So the bill passed and its title was agreed to.

H.F. No. 633: A bill for an act relating to commerce; uniform commercial code; extending the time period for the perfection of or priority over certain security interests; amending Minnesota Statutes 1982, sections 336.9-301; 336.9-302; 336.9-306; and 336.9-312.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kronebusch	Olson	Samuelson
Anderson	Frank	Laidig	Pehler	Schmitz
Belanger	Frederick	Langseth	Peterson, C. C.	Sieloff
Benson	Frederickson	Lantry	Peterson, D. C.	Solon
Berg	Freeman	Lessard	Peterson, D. L.	Spear
Bertram	Isackson	Luther	Peterson, R. W.	Stumpf
Brataas	Johnson, D. E.	McQuaid	Petty	Taylor
Chmielewski	Jude	Mehrkins	Pogemiller	Ulland
Dahl	Kamrath	Merriam	Purfeerst	Waldorf
Davis	Knaak	Moe, R. D.	Ramstad	Wegscheid
DeCramer	Knutson	Nelson	Reichgott	Willet
Diessner	Kroening	Novak	Renneke	

Ms. Berglin voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 611: A bill for an act relating to occupations and professions; limiting municipal regulation of tow truck operators; limiting removal by tow trucks from private property; proposing new law coded in Minnesota Statutes, chapter 465.

With the unanimous consent of the Senate, Mr. Novak moved to amend S. F. No. 611 as follows:

Page 2, line 2, after "*property*" insert "*except*" and delete "*neither*"

Page 2, line 3, delete "*nor*" and insert "*or*"

Page 2, line 4, delete "*except in compliance with local ordinances*" and insert "*, or the owner or agent of the owner of the private property*"

The motion prevailed. So the amendment was adopted.

S.F. No. 611 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Samuelson
Belanger	Frank	Laidig	Pehler	Schmitz
Benson	Frederick	Langseth	Peterson, C. C.	Sieloff
Berg	Frederickson	Lantry	Peterson, D. C.	Solon
Berglin	Freeman	Lessard	Peterson, D. L.	Spear
Bertram	Isackson	Luther	Peterson, R. W.	Stumpf
Brataas	Johnson, D. E.	McQuaid	Petty	Taylor
Chmielewski	Jude	Mehrkins	Pogemiller	Ulland
Dahl	Kamrath	Merriam	Purfeerst	Waldorf
Davis	Knaak	Moe, R. D.	Ramstad	Wegscheid
DeCramer	Knutson	Nelson	Reichgott	Willet

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

S.F. No. 238: A bill for an act relating to mining; including peat within the provisions of mineland reclamation laws; requiring adoption of certain reclamation rules prior to issuance of metallic mining permits; amending Minnesota Statutes 1982, sections 93.44; 93.46, subdivisions 2 and 6; and 93.481, by adding a subdivision; proposing new law coded in Minnesota

Statutes, chapter 93.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Samuelson
Belanger	Frank	Laidig	Pehler	Schmitz
Benson	Frederick	Langseth	Peterson, C.C.	Sieloff
Berg	Frederickson	Lantry	Peterson, D.C.	Solon
Berglin	Freeman	Lessard	Peterson, D.L.	Spear
Bertram	Isackson	Luther	Peterson, R.W.	Taylor
Brataas	Johnson, D.E.	McQuaid	Petty	Ulland
Chmielewski	Jude	Mehrkins	Pogemiller	Waldorf
Dahl	Kamrath	Merriam	Purfeerst	Wegscheid
Davis	Knaak	Moe, R.D.	Ramstad	Willet
DeCramer	Knutson	Nelson	Reichgott	

Mr. Stumpf voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 132: A bill for an act relating to state lands; authorizing the sale and conveyance of a certain tract of tax-forfeited land by Sherburne 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 58 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Laidig	Pehler	Schmitz
Anderson	Frederick	Langseth	Peterson, C.C.	Sieloff
Belanger	Frederickson	Lantry	Peterson, D.C.	Solon
Benson	Freeman	Lessard	Peterson, D.L.	Spear
Berg	Isackson	Luther	Peterson, R.W.	Stumpf
Berglin	Johnson, D.E.	McQuaid	Petty	Taylor
Bertram	Jude	Mehrkins	Pogemiller	Ulland
Brataas	Kamrath	Merriam	Purfeerst	Waldorf
Chmielewski	Knaak	Moe, R. D.	Ramstad	Wegscheid
Dahl	Knutson	Nelson	Reichgott	Willet
Davis	Kroening	Novak	Renneke	
DeCramer	Kronebusch	Olson	Samuelson	

Mr. Dieterich voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 844: A bill for an act relating to crimes; changing the penalty for the theft of controlled substances; amending Minnesota Statutes 1982, section 609.52, subdivision 3.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dieterich	Kronebusch	Olson	Samuelson
Anderson	Frank	Laidig	Pehler	Schmitz
Belanger	Frederick	Langseth	Peterson, C. C.	Sieloff
Benson	Frederickson	Lantry	Peterson, D. C.	Solon
Berg	Freeman	Lessard	Peterson, D. L.	Spear
Berglin	Isackson	Luther	Peterson, R. W.	Stumpf
Bertram	Johnson, D. E.	McQuaid	Petty	Taylor
Brataas	Jude	Mehrkens	Pogemiller	Ulland
Chmielewski	Kamrath	Merriam	Purfeerst	Waldorf
Dahl	Knaak	Moe, R. D.	Ramstad	Wegscheid
Davis	Knutson	Nelson	Reichgott	Willet
DeCramer	Kroening	Novak	Renneke	

So the bill passed and its title was agreed to.

S.F. No. 204: A bill for an act relating to taxation; defining "isolated or occasional sales" for purposes of the sales tax exemption; amending Minnesota Statutes 1982, section 297A.25, subdivision 1.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Samuelson
Belanger	Frank	Laidig	Pehler	Schmitz
Benson	Frederick	Langseth	Peterson, C. C.	Sieloff
Berg	Frederickson	Lantry	Peterson, D. C.	Solon
Berglin	Freeman	Lessard	Peterson, D. L.	Spear
Bertram	Isackson	Luther	Peterson, R. W.	Stumpf
Brataas	Johnson, D. E.	McQuaid	Petty	Ulland
Chmielewski	Jude	Mehrkens	Pogemiller	Waldorf
Dahl	Kamrath	Merriam	Purfeerst	Wegscheid
Davis	Knaak	Moe, R. D.	Ramstad	Willet
DeCramer	Knutson	Nelson	Reichgott	

So the bill passed and the title was agreed to.

S.F. No. 684: A bill for an act relating to mortgage registry tax; providing for a valid and recordable security in a variable debt instrument; waiving mortgage registry tax for marriage dissolution instruments; amending Minnesota Statutes 1982, sections 287.01, subdivision 3; 287.03; and 287.04.

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:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Samuelson
Belanger	Frank	Laidig	Pehler	Schmitz
Benson	Frederick	Langseth	Peterson, C. C.	Sieloff
Berg	Frederickson	Lantry	Peterson, D. C.	Solon
Berglin	Freeman	Lessard	Peterson, D. L.	Spear
Bertram	Isackson	Luther	Peterson, R. W.	Stumpf
Brataas	Johnson, D. E.	McQuaid	Petty	Taylor
Chmielewski	Jude	Mehrkens	Pogemiller	Ulland
Dahl	Kamrath	Merriam	Purfeerst	Waldorf
Davis	Knaak	Moe, R. D.	Ramstad	Wegscheid
DeCramer	Knutson	Nelson	Reichgott	Willet

So the bill passed and its title was agreed to.

S.F. No. 746: A bill for an act relating to counties; permitting counties to issue notes to finance purchase of necessary capital equipment; amending Minnesota Statutes 1982, section 373.01, 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 59 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Olson	Samuelson
Anderson	Frank	Laidig	Pehler	Schmitz
Belanger	Frederick	Langseth	Peterson, C.C.	Sieloff
Benson	Frederickson	Lantry	Peterson, D.C.	Solon
Berg	Freeman	Lessard	Peterson, D.L.	Spear
Berglin	Isackson	Luther	Peterson, R.W.	Stumpf
Bertram	Johnson, D.E.	McQuaid	Petty	Taylor
Brataas	Jude	Mehrkins	Pogemiller	Ulland
Chmielewski	Kamrath	Merriam	Purfeerst	Waldorf
Dahl	Knaak	Moe, R.D.	Ramstad	Wegscheid
Davis	Knutson	Nelson	Reichgott	Willet
DeCramer	Kroening	Novak	Renneke	

Mr. Dieterich voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 591: A bill for an act relating to insurance; health and accident; prohibiting provider discrimination in insurance policies covering mental health services; amending Minnesota Statutes 1982, section 62A.152, 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 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kronebusch	Olson	Samuelson
Anderson	Frank	Laidig	Pehler	Schmitz
Belanger	Frederick	Langseth	Peterson, C.C.	Sieloff
Benson	Frederickson	Lantry	Peterson, D.C.	Solon
Berg	Freeman	Lessard	Peterson, D.L.	Spear
Berglin	Isackson	Luther	Peterson, R.W.	Stumpf
Bertram	Johnson, D.E.	McQuaid	Petty	Taylor
Brataas	Jude	Mehrkins	Pogemiller	Ulland
Chmielewski	Kamrath	Merriam	Purfeerst	Waldorf
Dahl	Knaak	Moe, R. D.	Ramstad	Wegscheid
Davis	Knutson	Nelson	Reichgott	Willet
Diessner	Kroening	Novak	Renneke	

So the bill passed and its title was agreed to.

S.F. No. 263: A bill for an act relating to insurance; health and accident; providing reimbursement for the services of certain licensed and certified registered nurses on an equal basis with other licensed health professional services; amending Minnesota Statutes 1982, sections 62A.03, subdivision 1; and 62A.15.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Samuelson
Belanger	Frank	Laidig	Pehler	Schmitz
Benson	Frederick	Langseth	Peterson, C. C.	Sieloff
Berg	Frederickson	Lantry	Peterson, D. C.	Solon
Berglin	Freeman	Lessard	Peterson, D. L.	Spear
Bertram	Isackson	Luther	Peterson, R. W.	Stumpf
Brataas	Johnson, D. E.	McQuaid	Petty	Taylor
Chmielewski	Jude	Mehrkins	Pogemiller	Ulland
Dahl	Kamrath	Merriam	Purfeerst	Waldorf
Davis	Knaak	Moe, R. D.	Ramstad	Wegscheid
DeCramer	Knutson	Nelson	Reichgott	Willet

So the bill passed and its title was agreed to.

S.F. No. 346: A bill for an act relating to agriculture; granting the commissioner powers relating to agricultural promotion; changing certain procedures related to fees; redefining certain terms; changing the coverage of the consolidated food licensing law; permitting the sale of certain eggs for human consumption; updating certain provisions; specifying certain plumbing and sewage disposal requirements; changing the coverage of certain animal processing laws; prohibiting sale or possession of certain meat; changing certain fees; changing the dates of reports from and payments to certain agricultural societies; eliminating certain duties of the commissioner of agriculture and county agricultural agents; eliminating the prohibition on manufacture or use of certain preservative compounds; eliminating provisions relating to the dairy industry; adjusting fees for inspection of warehouses; directing the commissioner of agriculture to adopt a mandatory collective ratemaking procedure for warehousemen; amending Minnesota Statutes 1982, sections 17.101; 17B.15, subdivision 1; 28A.03; 29.235; 31.01, subdivision 20; 31.10; 31.101, subdivisions 3, 4, 5, 6, 7, and 8; 31.51, subdivision 2; 31.56, subdivision 1; 31A.02, subdivision 5; 31A.10; 31A.15; 32.394, subdivision 8; 34.05, subdivision 1; 38.02, subdivisions 1 and 3; 231.11; 231.12; 231.16; 232.22, subdivision 3; proposing new law coded in Minnesota Statutes, chapter 31; repealing Minnesota Statutes 1982, sections 17.031; 17.032; 17B.15, subdivision 2; 31.401 to 31.406; 32.472; and 32.473.

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:

Adkins	Diessner	Kroening	Novak	Renneke
Anderson	Dieterich	Kronebusch	Olson	Samuelson
Belanger	Frank	Laidig	Pehler	Schmitz
Benson	Frederick	Langseth	Peterson, C. C.	Sieloff
Berg	Frederickson	Lantry	Peterson, D. C.	Solon
Berglin	Freeman	Lessard	Peterson, D. L.	Spear
Bertram	Isackson	Luther	Peterson, R. W.	Stumpf
Brataas	Johnson, D. E.	McQuaid	Petty	Taylor
Chmielewski	Jude	Mehrkins	Pogemiller	Ulland
Dahl	Kamrath	Merriam	Purfeerst	Waldorf
Davis	Knaak	Moe, R. D.	Ramstad	Wegscheid
DeCramer	Knutson	Nelson	Reichgott	Willet

So the bill passed and its title was agreed to.

S.F. No. 402: A bill for an act relating to state government; implementing an executive order transferring the state soil and water conservation board from the department of natural resources to the department of agriculture; amending Minnesota Statutes 1982, section 40.03.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Samuelson
Anderson	Dieterich	Kronebusch	Olson	Schmitz
Belanger	Frank	Laidig	Pehler	Sieloff
Benson	Frederick	Langseth	Peterson, C.C.	Solon
Berg	Frederickson	Lantry	Peterson, D.C.	Spear
Berglin	Freeman	Lessard	Peterson, R.W.	Stumpf
Bertram	Isackson	Luther	Petty	Taylor
Brataas	Johnson, D.E.	McQuaid	Pogemiller	Ulland
Chmielewski	Jude	Mehrkens	Purfeerst	Waldorf
Dahl	Kamrath	Merriam	Ramstad	Wegscheid
Davis	Knaak	Moe, R.D.	Reichgott	Willet
DeCramer	Knutson	Nelson	Renneke	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

CONFIRMATION

Mr. Solon moved that the report from the Committee on Economic Development and Commerce, reported April 7, 1983, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Solon moved that the foregoing report be now adopted. The motion prevailed.

Mr. Solon moved that in accordance with the report from the Committee on Economic Development, reported April 7, 1983, the Senate, having given its advice, do now consent to and confirm the appointment of:

IRON RANGE RESOURCES AND REHABILITATION COMMISSIONER

Gary Lamppa, Mountain Iron, St. Louis County, effective January 3, 1983, for a term expiring the first Monday in January, 1987.

The motion prevailed. So the appointment was confirmed.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

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. 164: Messrs. Moe, D.M.; Merriam and Ulland.

H.F. No. 26: Mr. Dahl, Mses. Reichgott and Olson.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S.F. No. 681 a Special Order to be heard immediately.

S.F. No. 681: A bill for an act relating to taxation; increasing the fee for issuance of a petroleum products distributors license; increasing the fee for issuance of special fuel dealers or bulk purchasers licenses; increasing the fee for issuance of a motor carrier license; increasing the fee for issuance of a temporary trip permit; amending Minnesota Statutes 1982, sections 296.06, subdivision 2; 296.12, subdivisions 1 and 2; and 296.17, subdivisions 10 and 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 43 and nays 14, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kroening	Nelson	Schmitz
Belanger	Diessner	Laidig	Novak	Sieloff
Berg	Dieterich	Langseth	Pehler	Spear
Berglin	Frank	Lantry	Peterson, C.C.	Stumpf
Bertram	Frederickson	Luther	Peterson, R.W.	Taylor
Chmielewski	Freeman	McQuaid	Petty	Wegscheid
Dahl	Johnson, D.E.	Mehrkins	Purfeerst	Willet
Davis	Johnson, D.J.	Merriam	Reichgott	
DeCramer	Jude	Moe, R. D.	Samuelson	

Those who voted in the negative were:

Anderson	Frederick	Knaak	Olson	Renneke
Benson	Isackson	Knutson	Peterson, D.L.	Ulland
Brataas	Kamrath	Kronebusch	Ramstad	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S.F. No. 967 Special Order to be heard immediately.

S.F. No. 967: A bill for an act relating to real property; requiring 60 days notice of default on a farm real estate mortgage, notice of termination of a farm real estate contract for deed, and notice of commencement of a sale and foreclosure proceeding; providing that a mortgage on farm real estate is reinstated during the redemption period upon payment of installments in

default and due during the period of redemption; authorizing farm working capital loan guarantees until June 1, 1983; amending Minnesota Statutes 1982, sections 47.20, subdivision 8; 550.18; 559.21, subdivisions 1, 1a, and 2; 580.09; 580.23, subdivision 1; 580.30; and 581.10.

Mr. Peterson, C.C. moved to amend S.F. No. 967 as follows:

Page 12, line 24, after the period, insert "*Sections 1 to 9 are repealed July 1, 1985. Notwithstanding the provisions of section 645.34, the repeal of sections 1 to 9 shall revive the corresponding provision or section of the original law.*"

The motion prevailed. So the amendment was adopted.

Mr. Peterson, C.C. then moved to amend S.F. No. 967 as follows:

Page 12, line 7, delete "\$2,500,000" and insert "\$2,000,000"

Page 12, line 14, delete "\$2,500,000" and insert "\$2,000,000"

The motion prevailed. So the amendment was adopted.

Mr. Benson moved to amend S.F. No. 967 as follows:

Page 10, line 24, delete "*working capital*" and insert "*seed, chemicals, fertilizer, and fuel*"

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

S.F. No. 967 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 55 and nays 3, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kamrath	Moe, R. D.	Reichgott
Anderson	Diessner	Kroening	Novak	Renneke
Benson	Dieterich	Kronebusch	Olson	Samuelson
Berg	Frank	Laidig	Pehler	Schmitz
Berglin	Frederick	Langseth	Peterson, C. C.	Sieloff
Bertram	Frederickson	Lantry	Peterson, D. C.	Solon
Brataas	Freeman	Lessard	Peterson, D. L.	Spear
Chmielewski	Isackson	Luther	Peterson, R. W.	Stumpf
Dahl	Johnson, D. E.	McQuaid	Petty	Taylor
Davis	Johnson, D. J.	Mehrkens	Purfeerst	Wegscheid
DeCramer	Jude	Merriam	Ramstad	Willet

Messrs. Belanger, Knaak and Waldorf voted in the negative.

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S.F. No. 653 a Special Order to be heard immediately.

S.F. No. 653: A bill for an act relating to natural resources; authorizing the marking of canoe and boating routes on the Pine river; amending Minnesota Statutes 1982, section 85.32, subdivision 1.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Olson	Schmitz
Anderson	Frank	Kronebusch	Pehler	Sieloff
Belanger	Frederick	Laidig	Peterson, C. C.	Solon
Benson	Frederickson	Langseth	Peterson, D. C.	Spear
Berg	Freeman	Lantry	Peterson, D. L.	Stumpf
Berglin	Isackson	Lessard	Peterson, R. W.	Taylor
Bertram	Johnson, D. E.	Luther	Petty	Ulland
Brataas	Johnson, D. J.	McQuaid	Purfeerst	Waldorf
Chmielewski	Jude	Mehrkens	Ramstad	Wegscheid
Dahl	Kamrath	Merriam	Reichgott	Willet
Davis	Knaak	Moe, R. D.	Renneke	
Diessner	Knutson	Novak	Samuelson	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S.F. No. 606 a Special Order to be heard immediately.

S.F. No. 606: A bill for an act relating to retirement; public employees funds generally; increasing interest rates paid on refunds and rates required for repayment of refunds and other payments to the funds; amending Minnesota Statutes 1982, sections 3A.03, subdivision 2; 352.029, subdivision 4; 352.04, subdivision 8; 352.12, subdivision 1; 352.22, subdivision 2; 352.23; 352.27; 352.271; 352B.11, subdivisions 1, 3, and 4; 352C.09, subdivision 2; 353.01, subdivision 16; 353.27, subdivision 12; 353.28, subdivision 5; 353.32, subdivision 1; 353.34, subdivision 2; 353.35; 353.36, subdivision 2; 354.47, subdivision 1; 354.49, subdivision 2; 354.50, subdivision 2; 354.51, subdivisions 4 and 5; 354.52, subdivision 4; 354.53, subdivision 1; 354.532, subdivision 3; 354A.093; 354A.32; 354A.35, subdivisions 1 and 2; 354A.37, subdivisions 3 and 4; 354A.38, subdivision 3; 422A.09, subdivision 3; 422A.11, subdivision 2; 422A.16, subdivision 5; 422A.22, subdivisions 1, 4 and 5; 422A.221, subdivision 2; and 490.124, subdivision 12; repealing Minnesota Statutes 1982, section 354.49, subdivision 3.

Mr. Spear moved to amend S.F. No. 606 as follows:

Page 8, line 2, after "subdivision 1" insert ", who applies for a refund of contributions after July 1, 1983, and"

The motion prevailed. So the amendment was adopted.

S.F. No. 606 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, R. D.	Reichgott
Anderson	Diessner	Knutson	Novak	Renneke
Belanger	Dieterich	Kroening	Olson	Samuelson
Benson	Frank	Kronebusch	Pehler	Schmitz
Berg	Frederick	Laidig	Peterson, C. C.	Sieloff
Berglin	Frederickson	Langseth	Peterson, D. C.	Solon
Bertram	Freeman	Lantry	Peterson, D. L.	Spear
Brataas	Isackson	Lessard	Peterson, R. W.	Stumpf
Chmielewski	Johnson, D. E.	Luther	Petty	Taylor
Dahl	Johnson, D. J.	McQuaid	Pogemiller	Uiland
Davis	Jude	Mehrkens	Purfeerst	Waldorf
DeCramer	Kamrath	Merriam	Ramstad	Willet

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S.F. No. 1009 a Special Order to be heard immediately.

S.F. No. 1009: A bill for an act relating to transportation; defining certain terms relating to motor vehicle carriers; delineating exemptions; prescribing rules for operation of carriers; providing for investigation of carriers; providing for regulation of carriers of hazardous materials; providing for granting of certificates for operation; setting procedures for establishing rate schedules; providing for fees; providing for annual registration; requiring certificates of insurance; allowing permits to be assigned or transferred under certain conditions; providing hearing procedures regarding rate schedules; requiring shipping documents; providing for regulation of interstate carriers; authorizing suspension of operating authority under certain conditions; requiring refunds for overcharges; providing enforcement powers; providing penalties; providing for annual renewal of identification stamps; regulating local cartage carriers; assigning duties, functions, and powers to the public utilities commission until the transportation regulation board is established and appointed; amending Minnesota Statutes 1982, sections 168.013, subdivision 1e; 174.22, subdivision 2; 221.011, subdivisions 3, 9, 11, 12, 14, 15, 16, 19, 21, and 24, and by adding subdivisions: 221.021; 221.031; 221.041; 221.071; 221.111; 221.121; 221.131; 221.141, subdivision 1, and by adding a subdivision; 221.151; 221.161; 221.171; 221.181; 221.221; 221.251; 221.291; 221.296, subdivisions 2, 3, and 4; and 221.64; proposing new law coded in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1982, sections 221.011, subdivisions 4 and 22; 221.032; 221.141, subdivision 2; 221.292; 221.294; and 221.296, subdivision 1.

Mr. Novak moved to amend S. F. No. 1009 as follows:

Page 6, line 20, delete the new language

Page 9, line 7, after "freight" insert "", *other than household goods and petroleum products,*"

Page 13, delete line 6

Page 13, line 7, delete "57,000 pounds" and insert "operated in an area having a 150-mile radius from that person's home post office, implements of

husbandry”

Page 34, line 21, delete “gross”

Page 34, line 22, delete “\$600” and insert “the maximum fine which may be imposed for a misdemeanor”

Page 34, line 26, delete “gross”

Page 34, line 27, delete “\$600” and insert “the maximum fine which may be imposed for a misdemeanor”

The motion prevailed. So the amendment was adopted.

S.F. No. 1009 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 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Novak	Renneke
Anderson	Dieterich	Kroening	Olson	Samuelson
Belanger	Frank	Kronebusch	Pehler	Schmitz
Benson	Frederick	Laidig	Peterson, C. C.	Sieloff
Berg	Frederickson	Lantry	Peterson, D. C.	Spear
Berglin	Freeman	Lessard	Peterson, D. L.	Stumpf
Bertram	Isackson	Luther	Peterson, R. W.	Taylor
Brataas	Johnson, D. E.	McQuaid	Petty	Ulland
Chmielewski	Johnson, D. J.	Mehrkins	Pogemiller	Waldorf
Dahl	Jude	Merriam	Purfeerst	Wegscheid
Davis	Kamrath	Moe, R. D.	Ramstad	Willet
DeCramer	Knaak	Nelson	Reichgott	

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated H.F. No. 609 a Special Order to be heard immediately.

H.F. No. 609: A bill for an act relating to commerce; motor vehicle sales and distribution; requiring certain payments to be made upon termination of motor vehicle franchises; amending Minnesota Statutes 1982, section 80E.09, subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Nelson	Reichgott
Anderson	Diessner	Kroening	Novak	Renneke
Belanger	Dieterich	Kronebusch	Olson	Samuelson
Benson	Frank	Laidig	Pehler	Schmitz
Berg	Frederick	Langseth	Peterson, C. C.	Sieloff
Berglin	Frederickson	Lantry	Peterson, D. C.	Spear
Bertram	Freeman	Lessard	Peterson, D. L.	Stumpf
Brataas	Isackson	Luther	Peterson, R. W.	Taylor
Chmielewski	Johnson, D. E.	McQuaid	Petty	Ulland
Dahl	Johnson, D. J.	Mehrkins	Pogemiller	Waldorf
Davis	Jude	Merriam	Purfeerst	Wegscheid
DeCramer	Kamrath	Moe, R. D.	Ramstad	Willet

Mr. Knutson voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S.F. No. 597 a Special Order to be heard immediately.

S.F. No. 597: A bill for an act relating to financial institutions; credit unions; requiring applicants to form a credit union to submit certain information to the commissioner of banks; expanding the class of persons who may become members; allowing certain small groups to join an existing credit union or form a separate credit union; amending Minnesota Statutes 1982, sections 52.01; 52.05; and 168.67.

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 2, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Olson	Schmitz
Anderson	Dieterich	Kroening	Pehler	Sieloff
Belanger	Frank	Laidig	Peterson, C.C.	Solon
Berg	Frederick	Langseth	Peterson, D.C.	Spear
Berglin	Frederickson	Lantry	Peterson, D.L.	Stumpf
Bertram	Freeman	Lessard	Peterson, R.W.	Taylor
Brataas	Isackson	Luther	Petty	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Waldorf
Dahl	Johnson, D.J.	Mehrkens	Ramstad	Wegscheid
Davis	Jude	Merriam	Reichgott	Willet
DeCramer	Kamrath	Moe, R. D.	Renneke	
Dicklich	Knaak	Nelson	Samuelson	

Mr. Benson and Mrs. Kronebusch voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S.F. No. 891 a Special Order to be heard immediately.

S.F. No. 891: A bill for an act relating to transportation; permitting the use of state vehicles in ridesharing arrangements; providing for a unique registration category and special license plates for commuter vans; defining ridesharing arrangement and other terms; clarifying taxation, licensing, and vehicle use requirements in ridesharing arrangements; excluding certain ridesharing arrangements from the provisions of chapter 176 governing workers' compensation; clarifying employers' liability under workers' compensation for a ridesharing arrangement; excluding participation in a ridesharing arrangement from overtime compensation and the payment of minimum wages as defined in chapter 177; excluding payments other than salary to drivers in ridesharing arrangements from the definition of gross income; excluding motor vehicles participating in ridesharing arrangements from the definition of commercial motor vehicle; deleting the requirement to transfer rideshare

program development from the commissioner of transportation; amending Minnesota Statutes 1982, sections 16.753, subdivision 3; 169.01, by adding a subdivision; 174.257, by adding subdivisions; 176.041; 176.051, by adding subdivisions; 290.08, by adding a subdivision; 296.17; and Laws 1981, chapter 363, section 55, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 168 and 177.

Mrs. Adkins moved to amend S. F. No. 891 as follows:

Page 3, line 15, after "*persons*" insert "*, for a fee or otherwise,*"

Page 3, lines 25 and 26, delete "*may pay a fee to*"

Page 3, lines 32 and 33, delete "*may pay a fee to*"

Page 4, line 4, delete "*may pay a fee to*"

Page 4, line 34, before "*insured*" insert "*assistance in obtaining*"

Page 7, line 21, reinstate the stricken "*, who is a worker on*" and delete "*of*" in both places

Page 7, line 22, reinstate the stricken "*worker,*"

Page 8, line 15, after the comma insert "*the benefits provided under chapter 65B are the primary coverage for*"

Page 8, line 18, delete "*is not a personal injury*"

Page 8, delete line 19

Page 8, line 20, delete everything before the period

Page 10, line 19, after "*and*" delete "*section*" and insert "*sections 12 and*"

The motion prevailed. So the amendment was adopted.

Mr. Frederick moved to amend S.F. No. 891 as follows:

Page 9, after line 33, insert:

"(f) '*governor*' means a state official who is not allowed to designate the placement, maintenance or monies spent on any highways."

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

S.F. No. 891 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Novak	Renneke
Anderson	Frank	Kronebusch	Olson	Schmitz
Benson	Frederick	Laidig	Pehler	Sieloff
Berglin	Frederickson	Langseth	Peterson, C.C.	Solon
Bertram	Freeman	Lantry	Peterson, D.C.	Spear
Brataas	Isackson	Lessard	Peterson, D.L.	Storm
Chmielewski	Johnson, D.E.	Luther	Peterson, R.W.	Stumpf
Dahl	Johnson, D.J.	McQuaid	Petty	Taylor
Davis	Jude	Mehrkens	Pogemiller	Ulland
DeCramer	Kamrath	Merriam	Purfeerst	Waldorf
Dicklich	Knaak	Moe, R. D.	Ramstad	Wegscheid
Diessner	Knutson	Nelson	Reichgott	Willet

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 529 a Special Order to be heard immediately.

S.F. No. 529: A bill for an act relating to human rights; prohibiting discrimination because of disability; providing penalties; amending Minnesota Statutes 1982, sections 363.01, subdivision 25, and by adding subdivisions; 363.02, subdivisions 1 and 5; 363.03, subdivisions 1, 3, 4, and 7; and repealing Minnesota Statutes 1982, section 363.03, subdivision 4a.

Mr. Spear moved to amend S.F. No. 529 as follows:

Page 4, line 7, delete “and”

Page 4, line 8, after “abilities” insert a semicolon and after “and” insert “(c) that the examination, unless limited to determining whether the person’s disability would prevent performance of the job,”

Page 4, line 16, delete “(a)”

Page 4, line 17, after “tests” insert “(a)” and delete “and” and insert “, (b)”

Page 4, line 19, after “disability” insert “unless limited to determining whether the person’s disability would prevent performance of the job”

Page 4, line 19, delete “(b) that they” and insert “(c)”

Page 7, line 3, delete “100” and insert “50” and after “more” insert “permanent, full-time”

Page 7, line 16, after “aides” insert “on a temporary or periodic basis”

Page 7, line 24, after “force” insert “, and the number of employees at the location where the employment would occur”

Page 7, line 30, after “person” insert “or with knowledgeable disabled persons or organizations”

Page 7, delete lines 31 and 32 and insert:

“In the case of an accommodation for a job applicant, any cost in excess of \$50 imposed on the prospective employer shall be deemed an undue hardship if no alternative costing \$50 or less exists. A prospective employer need not pay for an accommodation for a job applicant which costs \$50 or less if it is available from an alternative source without cost to the employer or applicant.”

The motion prevailed. So the amendment was adopted.

S.F. No. 529 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 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Novak	Renneke
Anderson	Dieterich	Kroening	Olson	Schmitz
Benson	Frank	Kronebusch	Pehler	Solon
Berg	Frederick	Laidig	Peterson, C. C.	Spear
Berglin	Frederickson	Langseth	Peterson, D. C.	Storm
Bertram	Freeman	Lantry	Peterson, D. L.	Stumpf
Brataas	Isackson	Lessard	Peterson, R. W.	Taylor
Chmielewski	Johnson, D. E.	Luther	Petty	Ulland
Dahl	Johnson, D. J.	McQuaid	Pogemiller	Waldorf
Davis	Jude	Mehrkens	Purfeerst	Wegscheid
DeCramer	Kamrath	Merriam	Ramstad	Willet
Dicklich	Knaak	Moe, R. D.	Reichgott	

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 603 a Special Order to be heard immediately.

S.F. No. 603: A bill for an act relating to elections; providing for the preparation and availability of correct precinct lists; amending Minnesota Statutes 1982, section 201.091, subdivision 2.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Benson	Frank	Laidig	Peterson, C. C.	Spear
Berg	Frederick	Langseth	Peterson, D. C.	Storm
Berglin	Frederickson	Lantry	Peterson, D. L.	Stumpf
Bertram	Freeman	Lessard	Peterson, R. W.	Taylor
Brataas	Isackson	Luther	Petty	Ulland
Chmielewski	Johnson, D. E.	McQuaid	Pogemiller	Waldorf
Dahl	Johnson, D. J.	Mehrkens	Ramstad	Wegscheid
Davis	Jude	Merriam	Reichgott	Willet
DeCramer	Kamrath	Moe, R. D.	Renneke	
Dicklich	Knutson	Novak	Schmitz	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 705 a Special Order to be heard immediately.

S.F. No. 705: A bill for an act relating to Blue Earth County; providing for the taxation of the Rapidan Dam power generating facility.

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:

Adkins	Diessner	Knutson	Novak	Renneke
Anderson	Dieterich	Kroening	Olson	Schmitz
Benson	Frank	Kronebusch	Pehler	Sieloff
Berg	Frederick	Laidig	Peterson, C.C.	Solon
Berglin	Frederickson	Langseth	Peterson, D.C.	Spear
Bertram	Freeman	Lantry	Peterson, D.L.	Storm
Brataas	Isackson	Lessard	Peterson, R.W.	Stumpf
Chmielewski	Johnson, D.E.	Luther	Petty	Taylor
Dahl	Johnson, D.J.	McQuaid	Pogemiller	Ulland
Davis	Jude	Mehrkins	Purfeerst	Waldorf
DeCramer	Kamrath	Merriam	Ramstad	Wegscheid
Dicklich	Knaak	Moe, R.D.	Reichgott	Wiljet

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 175 a Special Order to be heard immediately.

S.F. No. 175: A bill for an act relating to elections; including certain transportation expenses in the list of noncampaign disbursements; amending Minnesota Statutes 1982, section 10A.01, subdivision 10c.

Mr. Ulland moved to amend S.F. No. 175 as follows:

Page 2, line 8, delete "*80 percent of*"

The motion prevailed. So the amendment was adopted.

S.F. No. 175 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Novak	Renneke
Anderson	Dieterich	Kroening	Olson	Schmitz
Benson	Frank	Kronebusch	Pehler	Sieloff
Berg	Frederick	Laidig	Peterson, C.C.	Solon
Berglin	Frederickson	Langseth	Peterson, D.C.	Spear
Bertram	Freeman	Lantry	Peterson, D.L.	Storm
Brataas	Isackson	Lessard	Peterson, R.W.	Stumpf
Chmielewski	Johnson, D.E.	Luther	Petty	Taylor
Dahl	Johnson, D.J.	McQuaid	Pogemiller	Ulland
Davis	Jude	Mehrkins	Purfeerst	Waldorf
DeCramer	Kamrath	Merriam	Ramstad	Wegscheid
Dicklich	Knaak	Moe, R.D.	Reichgott	Wiljet

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 972 a Special Order to be heard immediately.

S.F. No. 972: A bill for an act relating to natural resources; authorizing the

commissioner of natural resources to sell certain lands in St. Louis County; appropriating money.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 3, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kamrath	Olson	Samuelson
Anderson	Diessner	Kroening	Pehler	Schmitz
Belanger	Dieterich	Kronebusch	Peterson, C.C.	Sieloff
Benson	Frank	Laidig	Peterson, D.L.	Spear
Berg	Frederick	Langseth	Peterson, R.W.	Storm
Bertram	Frederickson	Lantry	Petty	Stumpf
Brataas	Freeman	Luther	Pogemiller	Taylor
Chmielewski	Isackson	McQuaid	Purfeerst	Ulland
Dahl	Johnson, D.E.	Mehrkens	Ramstad	Waldorf
Davis	Johnson, D.J.	Merriam	Reichgott	Wegscheid
DeCramer	Jude	Moe, R.D.	Renneke	Willit

Messrs. Knaak, Knutson and Lessard voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 952 a Special Order to be heard immediately.

S.F. No. 952: A bill for an act relating to occupations and professions; regulating the period of time between professional boxing contests, matches, or exhibitions; amending Minnesota Statutes 1982, section 341.115.

Mr. Chmielewski moved to amend S.F. No. 952 as follows:

Page 1, after line 7, insert:

“Section 1. [341.045] [DEFINITION.]

For the purposes of this chapter, the terms “boxing and sparring” shall include full contact karate and kick boxing.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, before the period, insert “; proposing new law coded in Minnesota Statutes, chapter 341”

The motion prevailed. So the amendment was adopted.

S.F. No. 952 was then progressed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S.F. No. 551 a Special Order to be heard im-

mediately.

S.F. No. 551: A bill for an act relating to waters; requiring legislative approval for diversion of water outside the state; amending Minnesota Statutes 1982, section 105.405, subdivision 2.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Pehler	Sieloff
Anderson	Dieterich	Kronebusch	Peterson, C.C.	Solon
Belanger	Frank	Laidig	Peterson, D.C.	Spear
Benson	Frederick	Langseth	Peterson, D.L.	Storm
Berg	Frederickson	Lantry	Peterson, R.W.	Stumpf
Berglin	Freeman	Lessard	Petty	Taylor
Bertram	Isackson	Luther	Pogemiller	Ulland
Brataas	Johnson, D.E.	McQuaid	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, R.D.	Reichgott	Willet
Davis	Kamrath	Nelson	Renneke	
DeCramer	Knaak	Novak	Samuelson	
Dicklich	Knutson	Olson	Schmitz	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S.F. No. 948 a Special Order to be heard immediately.

S.F. No. 948: A bill for an act relating to metropolitan government; providing for the term of the chairman of the metropolitan airports commission; amending Minnesota Statutes 1982, section 473.604, subdivision 1.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Novak	Renneke
Anderson	Dieterich	Kroening	Olson	Samuelson
Belanger	Frank	Kronebusch	Pehler	Schmitz
Benson	Frederick	Laidig	Peterson, C.C.	Solon
Berg	Frederickson	Langseth	Peterson, D.C.	Spear
Berglin	Freeman	Lantry	Peterson, D.L.	Storm
Bertram	Isackson	Luther	Peterson, R.W.	Stumpf
Chmielewski	Johnson, D.E.	McQuaid	Petty	Taylor
Dahl	Johnson, D.J.	Mehrrens	Pogemiller	Ulland
Davis	Jude	Merriam	Purfeerst	Waldorf
DeCramer	Kamrath	Moe, R.D.	Ramstad	Wegscheid
Dicklich	Knaak	Nelson	Reichgott	Willet

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on

Bill Scheduling, designated S.F. No. 1083 a Special Order to be heard immediately.

S.F. No. 1083: A bill for an act relating to transportation; authorizing placement of vending machines in highway rest areas, tourist information centers, and weigh stations; amending Minnesota Statutes 1982, sections 160.08, subdivision 7; and 160.28.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Schmitz
Anderson	Dieterich	Kronebusch	Pehler	Sieloff
Belanger	Frank	Laidig	Peterson, C.C.	Solon
Benson	Frederick	Langseth	Peterson, D.C.	Spear
Berg	Frederickson	Lantry	Peterson, D.L.	Storm
Berglin	Freeman	Lessard	Peterson, R.W.	Stumpf
Bertram	Isackson	Luther	Petty	Taylor
Brataas	Johnson, D.E.	McQuaid	Pogemiller	Ulland
Chmielewski	Johnson, D.J.	Mehrkins	Purfeerst	Waldorf
Dahl	Jude	Merriam	Ramstad	Wegscheid
Davis	Kamrath	Moe, R.D.	Reichgott	Willet
DeCramer	Knaak	Nelson	Renneke	
Dicklich	Knutson	Novak	Samuelson	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S.F. No. 784 a Special Order to be heard immediately.

S.F. No. 784: A bill for an act relating to public welfare; setting eligibility criteria for community social services; requiring information from users to be included in the planning process; prescribing duties of the commissioner; amending Minnesota Statutes 1982, sections 256E.03, subdivision 2; 256E.05, subdivision 3; and 256E.09, subdivisions 2 and 3.

Ms. Berglin moved to amend S.F. No. 784 as follows:

Page 1, line 13, after "2." insert "[COMMUNITY SOCIAL SERVICES.]"

Page 4, line 14, after the semicolon insert "and"

Page 4, line 28, delete "*Minnesota Statutes*."

The motion prevailed. So the amendment was adopted.

S.F. No. 784 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C.C.	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berg	Frederickson	Lantry	Peterson, R.W.	Stumpf
Berglin	Freeman	Lessard	Petty	Taylor
Bertram	Isackson	Luther	Pogemiller	Ulland
Brataas	Johnson, D.E.	McQuaid	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Mehrkens	Ramstad	Wegscheid
Dahl	Jude	Merriam	Reichgott	Willet
Davis	Kamrath	Moe, R.D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S.F. No. 734 a Special Order to be heard immediately.

S.F. No. 734: A bill for an act relating to public welfare; modifying the procedure by which a vendor of care in the medical assistance program may seek review of proposed action on the part of the commissioner to make monetary recoveries or impose sanctions; providing for the establishment of a rate schedule for inpatient and outpatient hospital services reimbursement under the medical assistance program; permitting the commissioner to limit or suspend the eligibility of persons for medical assistance upon conviction of a criminal offense; allowing the commissioner access to medical records of medical assistance recipients without written authorization; amending Minnesota Statutes 1982, sections 256.045, subdivision 3; 256B.061; and 256B.27, subdivisions 3 and 4.

Ms. Berglin moved to amend S.F. No. 734 as follows:

Page 1, line 29, delete everything after the comma

Page 1, delete line 30

Amend the title as follows:

Page 1, line 6, delete everything after the semicolon

Page 1, delete lines 7 and 8

Page 1, line 9, delete "program;"

The motion prevailed. So the amendment was adopted.

S.F. No. 734 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 62 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C.C.	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berg	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berglin	Freeman	Lessard	Petty	Taylor
Bertram	Isackson	Luther	Pogemiller	Ulland
Brataas	Johnson, D.E.	McQuaid	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Mehrkens	Ramstad	Wegscheid
Dahl	Jude	Merriam	Reichgott	Willet
Davis	Kamrath	Moe, R.D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

Mr. Peterson, R.W. voted in the negative.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mrs. Adkins moved that the name of Mr. Dahl be added as a co-author to S.F. No. 891. The motion prevailed.

Ms. Reichgott moved that H.F. No. 157 be withdrawn from the Committee on Governmental Operations and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 156, now on the Consent Calendar. 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.

Ms. Peterson, D.C. and Mr. Dieterich introduced—

S.F. No. 1153: A bill for an act relating to insurance; providing the right to convert from group dental insurance to individual dental insurance under certain circumstances; proposing new law coded in Minnesota Statutes, chapter 62A.

Referred to the Committee on Economic Development and Commerce.

Messrs. Sieloff, Berg, Knaak and Bernhagen introduced—

S.F. No. 1154: A bill for an act relating to taxation; reducing the estate tax to the amount of the federal credit for state death taxes; amending Minnesota Statutes 1982, sections 291.005, subdivision 1; 291.03, subdivision 1; 291.075; 291.09, subdivisions 1a and 3a; 291.11, subdivision 1; 291.132, subdivision 1; 291.215, subdivisions 1 and 3; repealing Minnesota Statutes 1982, sections 270.75, subdivision 7; 291.015; 291.03, subdivisions 3, 4, 5, 6, and 7; 291.05; 291.051; 291.06; 291.065; 291.07; 291.08; 291.09, subdivision 5; 291.111; 291.132, subdivisions 2, 3, and 4; and 291.15, subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ramstad introduced—

S.F. No. 1155: A bill for an act relating to elections; changing certain election campaign committee reporting requirements in Hennepin County; amending Laws 1980, chapter 362, sections 3, subdivision 2; 8, subdivision 1, and by adding a subdivision; and 14, subdivision 5.

Referred to the Committee on Elections and Ethics.

Mr. Samuelson introduced—

S.F. No. 1156: A bill for an act relating to state hospitals; authorizing limited shared services agreements; providing for retention of receipts by the state hospital; appropriating money; amending Minnesota Statutes 1982, section 246.57, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Mr. Merriam introduced—

S.F. No. 1157: A bill for an act relating to taxation; clarifying the income tax treatment of certain debt obligations of state and local governments; amending Minnesota Statutes 1982, sections 80A.09, subdivision 1; 115A.69, subdivision 6; 116A.25; 116J.89, subdivision 6; 136.32; 136A.179; 136A.39; 193.146, subdivision 4; 272.02, subdivision 1; 362A.07; 447.35; 447.49; 458A.05, subdivision 6; 462.551; 462A.19, subdivision 1; 472.09, subdivision 4; 473.448; and 473.545; repealing Minnesota Statutes 1982, sections 116J.89, subdivision 7; 462A.19, subdivision 2; and 474.12.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Johnson, D.J. and Purfeerst introduced—

S.F. No. 1158: A bill for an act relating to appropriations; changing membership in the transportation regulation board and public utilities commission; appropriating money; amending Minnesota Statutes 1982, sections 174A.01, subdivision 2; and 216A.03, subdivision 1.

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

Mr. Lessard introduced—

S.F. No. 1159: A bill for an act relating to public utilities; establishing local prepay, coin-operated telephone systems; amending Minnesota Statutes 1982, sections 237.01, by adding a subdivision; and 237.075, by adding a subdivision.

Referred to the Committee on Public Utilities and State Regulated Industries.

Messrs. Novak; Johnson, D.J.; Purfeerst; Solon and Frederick introduced—

S.F. No. 1160: A bill for an act relating to taxation; allowing certain

dealers to be licensed as distributors for purpose of payment of the gasoline excise tax; amending Minnesota Statutes 1982, section 296.06, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Laidig, Merriam, Diessner and Mrs. Lantry introduced—

S.F. No. 1161: A bill for an act relating to local government; permitting Ramsey and Washington counties to provide interim and long term financing of solid waste and related facilities; providing for a waste management district.

Referred to the Committee on Agriculture and Natural Resources.

Mrs. Adkins introduced—

S.F. No. 1162: A bill for an act relating to drivers licenses; requiring a licensee to add birth date to the signature; amending Minnesota Statutes 1982, section 171.07, subdivision 1.

Referred to the Committee on Transportation.

MEMBERS EXCUSED

Messrs. Bernhagen; Hughes; Moe, D.M. and Vega were excused from the Session of today. Mr. Dicklich was excused from the Session of today until 9:00 p.m. Mr. Johnson, D.J. was excused from the Session of today from 8:00 to 8:50 p.m. Mr. Storm was excused from the Session of today until 9:30 p.m. Mr. Samuelson was excused from the Session of today until 8:30 p.m. Mr. Belanger was excused from the Session of today from 10:00 to 10:30 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Thursday, April 14, 1983. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate