

FORTY-FIFTH DAY

St. Paul, Minnesota, Tuesday, May 3, 1983

The Senate met at 9:30 a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Luther 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. Joseph C. Kremer.

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

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	Peterson, R.W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D.M.	Reichgott	Willet
Davis	Kamrath	Moe, R.D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

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 29, 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
47		65	April 29	April 29
402		66	April 29	April 29
	157	67	April 29	April 29
	231	68	April 29	April 29
	277	69	April 29	April 29
	342	70	April 29	April 29
	384	71	April 29	April 29
	430	72	April 29	April 29
	601	73	April 29	April 29
	638	74	April 29	April 29
	1079	75	April 29	April 29

Sincerely,

Joan Anderson Growe
Secretary of State

May 3, 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. No. 115.

Sincerely,

Rudy Perpich, Governor

RECESS

Mr. Luther moved that the Senate do now recess until 1:30 p.m. for the purpose of attending the Joint Convention. The motion prevailed.

The hour of 1:30 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

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

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.

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. 756, 987, 705 and 721.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 2, 1983

Mr. President:

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

S.F. No. 44: A bill for an act relating to child support; allowing courts to order support for certain individuals attending secondary school; amending Minnesota Statutes 1982, section 518.54, subdivision 2.

Senate File No. 44 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 2, 1983

CONCURRENCE AND REPASSAGE

Mr. Nelson moved that the Senate concur in the amendments by the House to S.F. No. 44 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 44 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Langseth	Peterson, D.C.	Spear
Anderson	Dieterich	Lantry	Peterson, D.L.	Storm
Benson	Frank	Lessard	Peterson, R.W.	Stumpf
Berg	Frederickson	Luther	Petty	Taylor
Berglin	Hughes	McQuaid	Pogemiller	Ulland
Bernhagen	Isackson	Mehrkens	Purfeerst	Vega
Bertram	Jude	Merriam	Ramstad	Waldorf
Dahl	Kamrath	Moe, R. D.	Reichgott	Wegscheid
Davis	Knutson	Nelson	Renneke	Wiflet
DeCramer	Kroening	Olson	Samuelson	
Dicklich	Kronebusch	Pehler	Schmitz	

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 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.

Senate File No. 1104 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 2, 1983

CONCURRENCE AND REPASSAGE

Mr. Merriam moved that the Senate concur in the amendments by the House to S.F. No. 1104 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1104: A bill for an act relating to motor vehicles; removing requirements for issuance of a Minnesota identification card; providing for the marking of a Minnesota identification card; amending Minnesota Statutes 1982, section 171.07, subdivision 3.

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

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

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kronebusch	Olson	Schmitz
Anderson	Frank	Laidig	Pehler	Solon
Benson	Frederick	Langseth	Peterson, D.C.	Spear
Berg	Frederickson	Lantry	Peterson, D.L.	Storm
Berglin	Freeman	Lessard	Peterson, R.W.	Stumpf
Bernhagen	Hughes	Luther	Petty	Taylor
Bertram	Isackson	McQuaid	Pogemiller	Ulland
Dahl	Jude	Mehrkens	Purfeerst	Vega
Davis	Kamrath	Merriam	Ramstad	Waldorf
DeCramer	Knaak	Moe, D. M.	Reichgott	Wegscheid
Dicklich	Knutson	Moe, R. D.	Renneke	Willet
Diessner	Kroening	Nelson	Samuelson	

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 90.

H.F. No. 90: A bill for an act relating to highway traffic regulations; prescribing penalties for failure to place children under the age of four years in child passenger restraint systems when being transported on streets and highways; amending Minnesota Statutes 1982, section 169.685, subdivision 5.

And the House respectfully requests that a Conference Committee of three members be appointed thereon.

Skoglund; Rodriguez, C., and Schreiber have been appointed as such committee on the part of the House.

House File No. 90 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 2, 1983

Mrs. Lantry moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 90, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 365.

H.F. No. 365: A bill for an act relating to health care facilities; clarifying the rights and responsibilities of patients and residents; amending Minnesota Statutes 1982, sections 144.651; and 144.652.

And the House respectfully requests that a Conference Committee of three members be appointed thereon.

Clark, K.; Onnen and Greenfield have been appointed as such committee on the part of the House.

House File No. 365 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 2, 1983

Ms. Berglin moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 365, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 102, 977, 996, 294 and 431.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 2, 1983

FIRST READING OF HOUSE BILLS

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

H.F. No.102: A bill for an act relating to agricultural and residential real estate; requiring 60 days notice of default on a real estate mortgage, notice of termination of a real estate contract for deed, and eight weeks notice of commencement of a sale and foreclosure proceeding; providing that a court may order a delay in a foreclosure sale or contract termination under certain circumstances; limiting the right to maintain actions for deficiency judgments; amending Minnesota Statutes 1982, sections 47.20, by adding a subdivision; 559.21, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 550; proposing new law coded as Minnesota

Statutes, chapter 583.

Referred to the Committee on Finance.

H.F. No. 977: A bill for an act relating to liquor; authorizing the city of Farmington to issue a club on-sale license to an Eagles Club.

Referred to the Committee on Public Utilities and State Regulated Industries.

H.F. No. 996: A bill for an act relating to local government; authorizing the port authorities of the cities of St. Paul and Bloomington to acquire and operate a district heating system.

Referred to the Committee on Energy and Housing.

H.F. No. 294: A bill for an act relating to manufactured homes; granting the right to make in park sales of homes more than 15 years old; requiring sellers to disclose manufactured home safety features; amending Minnesota Statutes 1982, sections 327C.02, subdivision 5; and 327C.07, subdivision 1, and by adding subdivisions.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 610, now on Special Orders.

H.F. No. 431: A bill for an act relating to employment; encouraging public and private sector pension funds to invest in Minnesota situs non-farm real estate; permitting certain public funds to participate in real estate investments; amending Minnesota Statutes 1982, sections 69.77, subdivision 2; 354A.08; and 422A.05, subdivision 2c; proposing new law coded in Minnesota Statutes, chapter 356.

Referred to the Committee on Governmental Operations.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

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

S.F. No. 901: A bill for an act relating to state departments and agencies; transferring the planning functions of the department of energy, planning and development to a newly created state planning agency; providing a director; establishing an advisory committee; amending Minnesota Statutes 1982, sections 116J.03, subdivision 1; and 116J.42; proposing new law coded as Minnesota Statutes, chapter 116K; repealing Minnesota Statutes 1982, sections 116J.02, subdivision 1; 116J.41; 116J.46; and 116J.47.

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

Delete everything after the enacting clause and insert:

“Section 1. [TRANSFER OF POWERS.]

Subdivision 1. [AUTHORIZATION.] All powers, duties, and functions vested in or imposed on the department of energy, planning and development

or the commissioner of energy, planning and development by chapters 116C, 116D, 116G, sections 116J.40 to 116J.54, and other laws are transferred to, vested in, and imposed on the director of the state planning agency created in section 9.

Subd. 2. [POSITIONS TRANSFERRED.] Personnel positions in the department of energy, planning and development in the classified civil service and temporary positions in the unclassified service established pursuant to section 43A.08, formerly assigned to functions that are transferred by this section to the state planning agency, are continued and transferred with their incumbents to the state planning agency along with the functions transferred. Nothing in this subdivision shall be construed as abrogating or modifying any rights now enjoyed by affected employees under the terms of an agreement between an exclusive representative of public employees and the state or one of its appointing authorities.

Subd. 3. [BALANCES TRANSFERRED.] The unexpended balance of any appropriation to the department of energy, planning and development which was assigned to the planning division of the department or to any office within the planning division is transferred to the director of the state planning agency who shall pay all valid claims presented against those appropriations.

Subd. 4. [RECORDS TRANSFERRED.] The commissioner of energy, planning and development, the assistant commissioner for the planning division, and office directors within the planning division shall transfer to the director of the state planning agency all contracts, books, maps, plans, papers, records, and property of every description within their jurisdiction or control which are relevant to the activities and functions transferred by this section to the director of the state planning agency.

Subd. 5. [PROCEEDINGS CONTINUED.] Any proceeding, court action, prosecution, or other business or matter that is pending on the effective date of this section and that involved or was commenced by the commissioner of energy, planning and development and which involved personnel or functions transferred to the state planning agency by this section may be conducted and completed by the state planning director in the same manner, under the same terms and conditions, and with the same effect as though it involved or was commenced and conducted or completed by the officer who began it.

Subd. 6. [AUTHORITY CONTINUED.] The authority of the state planning director regarding functions transferred to the director by this section is a continuation of the authority of the officer from which it was transferred regarding those functions, with the same force and effect as though the functions, powers, or duties of the officer had not been assigned or transferred, and does not constitute a new authority for the purposes of succession to all rights, powers, duties, and obligations of the officer, as constituted at the time of the assignment or transfer. All rules adopted under authority of power, duty, or responsibility transferred by this section to the director of the state planning agency shall remain in full force and effect until amended or repealed.

Sec. 2. Minnesota Statutes 1982, section 116J.03, subdivision 1, is amended to read:

Subdivision 1. [SCOPE.] As used in sections 116J.05 to 116J.35; ~~116J.41 to 116J.54~~; 116J.58 to 116J.91; ~~299A.03~~; and 299A.04, the terms defined in this section have the meaning given them.

Sec. 3. Minnesota Statutes 1982, section 116J.42, subdivision 1, is amended to read:

Subdivision 1. [POWERS AND DUTIES.] The ~~commissioner~~ director shall:

(1) Prepare comprehensive, long range recommendations for the orderly and coordinated growth of the state including detailed recommendations ~~for long range plans of operating state departments and agencies on major public investment proposals and programs in the state.~~

(2) ~~The state, in the development of long range planning, shall take into consideration its relationship to local units of government and the planning to be accomplished on such levels.~~ *Develop and maintain a statewide long range policy planning process involving local units of government, regional development commissions, the metropolitan council, and state agencies.*

(3) *Develop and analyze information and forecasts relating to the state's population, economy, natural resources and human services, including but not limited to: (a) collection and analysis of information necessary to enable him to report annually to the governor and the legislature on the status of the state's economy and on forecasts of medium and long term economic prospects for the state; (b) analysis and reporting on the comparability of economic data, assumptions and analyses used by other planning entities, state agencies and levels of government as he deems appropriate; (c) assessment of the implications of demographic, economic and programmatic trends on state and local policies and institutions for providing health, education and other human services; and (d) assessment of the availability and quality of data for long range planning and policy development.*

(4) *Assist the governor in developing and evaluating alternative long range policies and strategies.*

(5) *Act in coordination with the department of finance and affected state agencies in the planning and financing of major public programs, including but not limited to capital improvements.*

(6) *Initiate studies of major policy issues having long range implications.*

(7) *Provide planning assistance to local, regional, and state agencies, and coordinate these levels of planning with the state long range policy planning process.*

Sec. 4. Minnesota Statutes 1982, section 116J.42, subdivision 2, is amended to read:

Subd. 2. The ~~commissioner~~ director shall:

(1) Review ~~current programming and future planning plans, studies and proposed studies,~~ of all state departments and agencies.

(2) Report regularly and on or before November 15 of each even numbered year to the legislature, reviewing in each report the state planning program, and the progress and development thereof. Thereafter, as soon as

practicable, he shall make recommendations for desirable legislation and necessary appropriations.

(3) ~~To the extent practicable coordinate with state budgets the items therein relating to and reflecting statewide planning as authorized by the legislature and as recommended for the consideration of the legislature.~~

(4) ~~Require each state department and agency having planning programs to regularly file copies thereof with him for review.~~

(5) (3) ~~Make available to the legislature or any authorized committee or commission thereof information concerning statewide development plans and basic research from which the plans have been developed.~~

(6) ~~Act as the coordinating agency for the planning activities of all state departments and agencies and local levels of government.~~

(7) ~~Review all plans filed with the federal government by state departments and agencies pursuant to section 16A.30, or any other law as a part of his duties prescribed by this section. The commissioner of finance shall furnish the commissioner the information required by this clause.~~

(8) ~~Encourage the development of planning programs by state departments and agencies and local levels of government.~~

(9) ~~Act as the coordinating agency for submission of the environmental impact statements required by the National Environmental Policy Act and the state's comments thereon to the appropriate federal agencies.~~

(4) *Develop and maintain, in consultation with local government elected officials, a process and procedures for the review of federal grant applications, and the coordination of planning activities including state and local responsibilities as existed on January 1, 1983, in federal Office of Management and Budget Circular A-95, Parts I, II, III, and IV; and the federal Executive Order 12372.*

(5) *Assist the governor and the commissioner of finance in the review of biennial budget proposals and in the analysis of major public investments.*

(6) *Promote awareness by citizens and public officials of major long range trends and policy issues.*

Sec. 5. Minnesota Statutes 1982, section 116J.42, subdivision 4, is amended to read:

Subd. 4. The commissioner *director* shall:

(1) ~~Undertake studies to obtain information and data on urban and rural needs, assistance programs, and activities. The commissioner shall provide technical assistance and advice in the solution of such problems. The duties of the commissioner shall include, but are not limited to, the assembly, the correlation, and dissemination of physical, social, and economic development data to inform local governmental units and interested persons and organizations of the availability and status of federal, state, and local programs and other resources for the solution of urban and rural problems;~~

(2) ~~Make available to the governor and the legislature pertinent information relating to federal grants in aid to local governmental units and an analysis thereof;~~

(3) Inform local governmental units about federal programs of social or economic aid or assistance for which they are eligible, together with the criteria, standards, and conditions upon which the aid is based. Conduct research and make recommendations to the governor and the legislature concerning relationships among federal, state, and local governments; and review and report on changes in federal policies and budgets as they affect the state and state and local government programs;

(3) Provide regional development commissions, the metropolitan council, and units of local government with information, technical assistance, training, and advice in utilizing federal and state programs;

(4) Receive and administer the small cities community development block grant program authorized by the Congress under the Housing and Development Act of 1974, as amended; and

(5) Receive and administer other state and federal grants and grant programs for planning, community affairs, community development purposes, and other state and federal programs assigned to the agency by law or by the governor in accordance with section 4.07.

Sec. 6. Minnesota Statutes 1982, section 116J.42, subdivision 7, is amended to read:

Subd. 7. The ~~commissioner~~ director shall:

(1) Appoint the state demographer who shall be compensated in accordance with section 43A.18, subdivision 3. The state demographer shall be professionally competent in the field of demography and shall possess demonstrated ability, based upon experience and past performance;

~~(1) Shall~~ (2) Continuously gather and develop demographic data within the state;

~~(2) Shall~~ (3) Design and test methods of research and data collection;

~~(3) Shall have the power to Call upon any agency of the state or political subdivision for data as may be available, and the agencies and political subdivisions shall cooperate to the fullest extent possible;~~

~~(4) Shall~~ Periodically prepare population projections for designated regions and for the state and may periodically prepare projections for each county, or other political or geographic division as necessary to carry out the purposes of this section;

~~(5) Shall~~ Review, comment, and prepare analysis of population estimates and projections made by state agencies, political subdivisions, other states, federal agencies or nongovernmental persons, institutions or commissions;

~~(6) Shall~~ Serve as the state liaison with the federal bureau of census, ~~shall~~ and coordinate his activities with federal demographic activities to the fullest extent possible, and shall aid the legislature in preparing a census data plan and form for each decennial census;

~~(7) Shall~~ Compile an annual study of population estimates on the basis of county, regional or other political or geographic divisions as necessary to carry out the purposes of this subdivision and section 116J.43;

~~(8) Shall;~~ On or before January 1 of each year, issue a report to the legis-

lature containing an analysis of the demographic implications of the annual population study and population projections;

(9) ~~Shall~~ Cause to be prepared maps of all counties in the state, all municipalities with a population of 10,000 or more, and any other municipalities as deemed necessary for census purposes, according to scale and detail recommended by the federal bureau of the census, with the maps of cities showing boundaries of precincts; and

(10) ~~Shall annually~~ Prepare a population estimate for each governmental subdivision for which the metropolitan council does not prepare an annual population estimate, and shall communicate the estimate to the governing body of each governmental subdivision by May 1 of each year.

Sec. 7. Minnesota Statutes 1982, section 116J.42, subdivision 8, is amended to read:

Subd. 8. ~~The commissioner may~~ (1) *The land management information center is established to foster integration of environmental information and provide services in computer mapping and graphics, environmental analysis, and small systems development;*

(2) *A service bureau shall be established to charge a fee fees to each user of the Minnesota land management clients for information system products and services;*

(3) *A revolving fund shall be established that does not cancel and expend moneys to recover operational costs of services and products and for computer equipment replacement and system enhancement; and*

(4) *The director shall periodically compile studies of land use and natural resources on the basis of county, regional, and other political subdivisions.*

Sec. 8. Minnesota Statutes 1982, section 116J.42, subdivision 9, is amended to read:

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

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

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

Sec. 9. [116K.02] [STATE PLANNING AGENCY.]

Subdivision 1. [CREATION.] A state planning agency is created in the executive branch of the state government.

Subd. 2. [DIRECTOR.] The governor shall appoint a director of planning who is in the unclassified service of the state. He shall be professionally competent in the fields of public administration and planning and shall pos-

ness demonstrated ability, based upon experience and past performance, to perform the duties of state planning director.

Subd. 3. [ORGANIZATION.] The director shall organize the agency and employ the officers, employees, and agents as the director deems necessary to discharge the functions of his office, and define their duties. The director shall appoint a deputy director and division directors who shall serve in the unclassified service of the state. To fulfill long range planning objectives requiring special projects fully anticipated to be of limited duration, the director shall request temporary unclassified positions pursuant to section 43A.08, subdivision 2a. All other officers, employees, and agents are in the classified service of the state civil service.

Subd. 4. [STAFF.] The director shall employ personnel with qualifications as are needed to perform the duties prescribed in sections 2 to 9.

Sec. 10. [INSTRUCTIONS TO THE REVISOR.]

Subdivision 1. [TERMS.] (a) The revisor of statutes shall substitute the terms "director of the state planning agency" or "director" or "state planning agency" or "agency" or similar terms as appropriate for the terms "commissioner" or "department" meaning the commissioner or department of energy, planning and development, and similar terms where those terms appear in chapters 116C, 116D, and 116G, sections 116J.40 to 116J.54, and other laws relating to the planning functions of the department of energy, planning and development.

(b) The revisor of statutes shall remove the term "planning" wherever it appears in Minnesota Statutes in reference to the department of energy, planning and development, the commissioner of energy, planning and development or similar terms to reflect the removal of the planning functions from that department.

Subd. 2. [RENUMBERING.] The revisor of statutes shall renumber each section specified in column A with the numbers set forth in column B. The revisor shall also make necessary cross-reference changes consistent with the renumbering.

Column A	Column B
116J.40	116K.01
116J.42	116K.04
116J.43	116K.05
116J.44	116K.06
116J.45	116K.07
116J.48	116K.08
116J.49	116K.09
116J.50	116K.10
116J.51	116K.11
116J.52	116K.12
116J.53	116K.13
116J.54	116K.14

Sec. 11. [REPEALER.]

Minnesota Statutes 1982, sections 116J.02, subdivision 1; 116J.41; 116J.42, subdivisions 3, 5, and 6; 116J.46; and 116J.47, are repealed.

Amend the title as follows:

Page 1, line 8, before the semicolon, insert “, subdivisions 1, 2, 4, 7, 8, and 9”

Page 1, line 10, after the second semicolon, insert “116J.42, subdivisions 3, 5, and 6;”

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

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

H.F. No. 521 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F.No.	S.F.No.
521	853				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 521 be amended as follows:

Page 1, delete lines 37 to 39

Page 2, delete lines 1 to 24 and insert:

“Subdivision 1. [FILING; FEE; HEARING.] The incorporators of ~~any~~ a bank proposed to be organized under the laws of this state shall execute and acknowledge ~~an a written~~ application, ~~in writing~~, in the form prescribed by the department of commerce, ~~and shall file the same in its office, which.~~ The application ~~shall must~~ be signed by two or more of the incorporators, ~~requesting and request~~ a certificate authorizing the proposed bank to transact business at the place and in the name stated in the application. ~~At the time of filing the application~~ The applicant shall ~~pay file the application with the department with a \$1,000 filing fee of \$1,000, which shall be paid into the state treasury and credited to the general fund and shall pay to the commissioner of banks the sum of and a \$500 as a investigation fee for investigating the application which shall.~~ The fees ~~must~~ be turned over by him to the state treasurer and credited ~~by the treasurer~~ to the general fund ~~of the state.~~ Thereupon the commission shall fix a time, within 60 days after the filing of the application, for a hearing ~~at its office at the state capitol, at which hearing it shall to~~ decide whether or not the application ~~shall will~~ be granted. A notice of the hearing ~~shall must~~ be published in the form prescribed by the commission in ~~some a~~ newspaper published in the municipality in which the proposed bank is to be located, and if there ~~be is~~ no such newspaper, then at the county-seat of the county in which the bank is proposed to be located. The notice ~~shall must~~ be published once, at the expense of the applicants, not less than 30 days prior to the date of the hearing. At the hearing the commission shall consider the application and hear the applicants and ~~such~~ witnesses as ~~that~~ may appear in favor of or against the granting”

Page 2, line 26, after the comma insert “50 percent of”

Page 2, line 29, after “fund,” delete “shall” and insert “must”

Page 2, line 29, after "and" insert "50 percent by the"

Page 2, line 30, delete "equally"

Page 3, line 11, delete everything after "53.10"

Page 3, delete line 12

Page 3, line 13, delete everything before the period

Page 3, delete lines 26 to 36

Page 4, delete lines 1 to 18 and insert:

"Subdivision 1. [APPLICATION.] Any bank desiring to establish a detached facility shall execute and acknowledge ~~an~~ a written application, ~~in writing~~; in the form prescribed by the commissioner; and shall file the application in the commissioner's office; ~~together~~ with a fee of \$500; ~~and~~. If an application is contested, 50 percent of an additional fee equal to the actual costs incurred by the commissioner in approving or disapproving the application, payable to the state treasurer and credited by the treasurer to the general fund, shall be paid by the applicant and 50 percent by the intervening parties. Thereupon the applicant shall publish a notice of the filing of the application in a newspaper published in the municipality in which the proposed detached facility is to be located, and if there is no such newspaper, then at the county seat of the county in which the facility is proposed to be located. The notice ~~shall~~ must be in the form prescribed by the commissioner and, in addition to the publication, the applicant ~~shall~~ must mail a copy of the notice by certified mail to every bank located within three miles of the proposed location of the detached facility, measured in the manner as provided ~~above~~ in section 47.52."

Page 5, line 12, strike "same"

Page 5, line 20, strike "any such" and insert "these"

Page 5, line 24, strike "when"

Page 5, line 25, strike "such" and insert "if the"

Page 5, line 29, strike "providing" and insert "if"

Page 6, line 20, strike "; provided, that" and insert ". However,"

Page 6, after line 22, insert:

"Sec. 7. [48.90] [DISPOSITION OF CREDIT INSURANCE INCOME.]

Subdivision 1. [DEFINITIONS.] (a) For the purpose of this section, the following terms have the meanings given them.

(b) "Credit insurance" means credit life and accident and health insurance as defined in section 62B.02.

(c) "Officer", "director", "employee", and "shareholder" include the spouse and minor children of the officer, director, employee, or shareholder.

(d) "Interest" includes ownership through a spouse or minor children; ownership through a broker, nominee, or agent; and ownership through a corporation, partnership, association, joint venture, or proprietorship.

Subd. 2. [SCOPE AND PURPOSE.] This section applies to sales of credit insurance by employees, officers, directors, and shareholders of a banking institution and by corporations, partnerships, associations, and other entities in which these persons have an interest. The purposes of this section are (1) to prohibit employees, officers, directors, and shareholders of banking institutions from benefiting personally on the sale of credit insurance to loan customers and (2) to encourage marketing of credit insurance through the use of banking facilities only under arrangements which assure that employees, officers, directors, and shareholders do not receive benefits not shared with all stockholders of the banking institution.

Subd. 3. [DISTRIBUTION OF CREDIT INSURANCE INCOME.] No employee, officer, director, or shareholder of a banking institution, nor a corporation, partnership, association, or other entity in which these persons have an interest, may retain commissions or other income from the sale of credit insurance in connection with a loan made by the banking institution. All such income received by these persons or by a corporation, partnership, association, or other entity in which these persons have an interest, must be turned over to the banking institution. Nothing in this section prohibits a banking institution from receiving the income directly in the form of commissions or as compensation for use of its premises, personnel, and good will."

Page 6, line 29, delete "together"

Page 6, line 35, strike "as may be"

Page 6, line 36, strike "requested," and insert "by request"

Page 6, line 36, strike "as may be obtained"

Page 7, line 19, strike ", and" and insert a semicolon

Page 7, line 20, after "corporations;" insert "and stating"

Page 7, line 33, strike "as may be"

Page 8, line 32, strike "same" and insert "them"

Page 8, line 33, strike the comma after "fact"

Page 9, line 21, strike "so"

Page 10, line 13, strike "; provided, that" and insert ". However,"

Page 11, delete lines 3 to 35

Page 12, line 4, after "a" insert "\$1,000"

Page 12, line 4, strike "of \$1,000"

Page 12, line 6, strike "the sum of" and insert "a"

Page 12, line 6, strike "as a" and insert "investigation"

Page 12, line 7, strike "for investigating the application"

Page 12, line 8, after the comma insert "50 percent of"

Page 12, line 11, after "and" insert "50 percent by the"

Page 12, line 12, delete "equally"

Page 12, line 18, after "a" insert "\$1,000"

Page 12, line 18, strike "of \$1,000"

Page 12, line 20, after "contested," insert "50 percent of"

Page 12, line 23, after "and" insert "50 percent by the"

Page 12, line 24, delete "equally"

Page 13, line 34, strike "such"

Page 14, line 26, strike "cause an" and insert "file a written"

Page 14, line 26, strike ", in writing, to"

Page 14, line 27, strike "be made to" and insert "with"

Page 14, line 29, strike "and filed in"

Page 14, line 30, strike "its office"

Page 15, delete lines 1 to 12

Page 15, line 13, delete the new language and insert "applicant shall pay a \$1,000 filing fee of \$500; to be paid into the state treasury and credited to the general fund and also shall pay to the commissioner of banks the sum of \$250 and a \$500 as a investigation fee for investigating the application, which fee shall. The fees must be turned over by the commissioner to the state treasurer and credited to the general fund of the state, and. The applicant shall also submit a copy of the bylaws of the corporation, its articles of incorporation and all amendments thereto at that time. If the application is contested, the applicant shall pay 50 percent of an additional fee equal to the actual costs incurred by the department of commerce in approving or disapproving the application, payable to the state treasurer and credited to the general fund of the state shall be paid by the applicant and 50 percent by the intervening parties"

Page 16, line 3, before "the" insert "Where" and strike it

Page 16, line 4, delete "Where" and insert "If"

Page 16, line 35, after "contested," insert "50 percent of"

Page 17, line 2, strike "shall" and insert ", must"

Page 17, line 3, before "intervening" insert "50 percent by the"

Page 17, line 3, delete "equally"

Page 17, line 11, strike "shall" and insert "May"

Page 18, line 25, strike "provided,"

Page 21, line 23, strike "provided further that"

Page 23, line 34, delete "must be made"

Page 23, line 35, delete "orally and provided in writing"

Page 23, line 36, after the stricken "shall" insert "must"

Page 23, line 36, reinstate "be provided"

Page 23, line 36, after "borrower" insert "before the transaction is completed for each credit life and accident and health coverage sold"

Page 23, line 36, strike "before the"

Page 24, line 1, strike the old language and delete the new language

Page 24, line 2, delete the new language

Page 24, line 6, reinstate "THE CREDIT LIFE INSURANCE"

Page 24, line 6, after the stricken "AND" insert "(OR"

Page 24, line 6, reinstate "CREDIT"

Page 24, line 7, reinstate the stricken language

Page 24, line 7, after "INSURANCE" insert ")"

Page 24, lines 8 to 16, reinstate the stricken language

Page 26, line 23, delete "making application" and insert "applying"

Page 26, line 26, strike "provided" and insert "however"

Page 26, line 31, strike "transacting the same" and insert "business"

Page 26, line 33, after "state" strike the comma

Page 27, line 7, strike "the same" and insert "it"

Page 27, line 9, strike the semicolon and insert a comma

Page 27, line 10, strike the second comma

Page 27, line 17, strike "provided that" and insert ". However,"

Page 27, line 31, strike "When" and insert "If"

Page 27, line 32, after "provides" insert a comma

Page 27, line 34, after "business of" insert "a"

Page 27, line 35, strike "banks"

Page 27, line 35, before "must" insert "bank"

Page 28, line 8, delete "28 and"

Page 28, line 8, delete "to 32"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 21, before "amending" insert "providing that no employee, officer, director, or shareholder of a banking institution, or a corporation, partnership, or association in which these persons have an interest, may retain income from the sale of credit insurance in connection with a loan made by the banking institution; providing that the income must be turned over to the banking institution;"

Page 1, line 25, delete "51A.23, subdivisions 6 and 7;"

Page 1, line 32, delete "47" and insert "48"

And when so amended H.F. No. 521 will be identical to S.F. No. 853, and further recommends that H.F. No. 521 be given its second reading and substituted for S.F. No. 853, and that the Senate File be indefinitely post-

poned.

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

SECOND READING OF HOUSE BILLS

H.F. No. 521 was read the second time.

MOTIONS AND RESOLUTIONS

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

SPECIAL ORDER

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.

Mr. Wegscheid moved to amend H.F. No. 558, the unofficial engrossment, as follows:

Page 8, line 8, after the period, insert "*Notwithstanding the provisions of section 334.01,*"

Page 8, line 13, delete "*and*"

Page 8, delete line 14

Page 8, line 15, delete "*loan or contract is disclosed*"

The motion prevailed. So the amendment was adopted.

Mr. Willet moved to amend H.F. No. 558, the unofficial engrossment, as follows:

Page 7, line 18, delete the new language.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 38, as follows:

Those who voted in the affirmative were:

Berglin	Dicklich	Kroening	Pehler	Samuelson
Chmielewski	Diessner	Luther	Peterson, D.C.	Solon
Dahl	Dieterich	Moe, D. M.	Pogemiller	Spear
Davis	Frank	Nelson	Purfeerst	Willet
DeCramer	Freeman	Novak	Reichgott	

Those who voted in the negative were:

Adkins	Frederickson	Kronebusch	Olson	Storm
Anderson	Hughes	Laidig	Peterson, C.C.	Stumpf
Belanger	Isackson	Langseth	Peterson, D.L.	Taylor
Benson	Johnson, D.E.	Lantry	Peterson, R.W.	Ulland
Berg	Jude	Lessard	Petty	Waldorf
Bernhagen	Kamrath	McQuaid	Ramstad	Wegscheid
Bertram	Knaak	Mehrkins	Schmitz	
Frederick	Knutson	Merriam	Sieloff	

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

H.F. No. 558 was then progressed.

MOTIONS AND RESOLUTIONS - CONTINUED

CONFIRMATION

Mr. Hughes moved that the reports from the Committee on Elections and Ethics, reported April 25, 1983, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hughes moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Hughes moved that in accordance with the reports from the Committee on Elections and Ethics, reported April 25, 1983, the Senate, having given its advice, do now consent to and confirm the appointments of:

STATE ETHICAL PRACTICES BOARD

William W. McCutcheon, 2238 Edgebrook Street, St. Paul, Ramsey County, effective May 18, 1982, for a term expiring the first Monday in January, 1986.

Leonard C. Myrah, Route 2, Spring Grove, Houston County, effective July 6, 1982, for a term expiring the first Monday in January, 1984.

Myra S. Greenberg, 756 Pontiac Place, Mendota Heights, Dakota County, effective April 25, 1982, for a term expiring the first Monday in January, 1985.

The motion prevailed. So the appointments were confirmed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Taylor, Nelson, Ramstad, Pehler and Belanger introduced—

S.F. No. 1217: A bill for an act relating to unemployment compensation; authorizing employers to participate in a shared work benefit program; proposing new law coded in Minnesota Statutes, chapter 268.

Referred to the Committee on Employment.

Mr. Ramstad, Mrs. McQuaid and Ms. Olson introduced—

S.F. No. 1218: A bill for an act relating to taxation; income; adopting federal income tax treatment of certain retirement plans; amending Minnesota Statutes 1982, section 290.01, subdivisions 20a, as amended and 20b, as amended.

Referred to the Committee on Taxes and Tax Laws.

MEMBERS EXCUSED

Mr. Johnson, D.J. was excused from the Session of today at 2:50 p.m. Messrs. Knaak and Laidig were excused from the Session of today until 1:50 p.m. Mr. Moe, R.D. was excused from the Session of today at 2:30 p.m.

ADJOURNMENT

Mr. Luther moved that the Senate do now adjourn until 9:00 a.m., Wednesday, May 4, 1983. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate