

FIFTY-SECOND DAY

St. Paul, Minnesota, Thursday, May 12, 1983

The Senate met at 9:00 a.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Glenn Nycklemoe.

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.

MESSAGES FROM THE HOUSE

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. 634: A bill for an act relating to game and fish; establishing the joint legislative committee on fishing resources; imposing a surcharge on fishing licenses for development and improvement of state fishing resources; authorizing designation of experimental and specialized fishing waters; authorizing additional notice of netting season; licensing fishing guides; increasing certain license fees; prohibiting angling and use of tip-

ups while spearing in a dark house; prohibiting issuance of new commercial game fish netting licenses; allowing designation of lakes for taking of certain muskellunge; imposing penalties for various offenses; amending Minnesota Statutes 1982, sections 84.027, subdivision 2; 97.48, subdivision 26, and by adding a subdivision; 97.53, by adding a subdivision; 97.55, by adding subdivisions; 98.46, subdivision 5; 98.52, by adding subdivisions; and 101.42, subdivisions 1a and 20; proposing new law coded in Minnesota Statutes, chapters 97, 98, and 102.

Senate File No. 634 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1983

Mr. Moe, R.D. moved that S.F. No. 634 be laid on the table. 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. 233 and 652.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 11, 1983

FIRST READING OF HOUSE BILLS

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

H.F. No. 233: A bill for an act relating to retirement; providing post retirement annuity or benefit increases for certain retired or disabled public employees.

Referred to the Committee on Finance.

H.F. No. 652: A bill for an act relating to retirement; public plans generally; providing for the fiduciary obligation of trustees; complying with federal limits on annual benefits; providing that moneys of public pension plans are for the exclusive benefit of eligible employees and their beneficiaries; amending Minnesota Statutes 1982, sections 356.61; 354A.021, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 356.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 660, now on Special Orders.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

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

S.F. No. 206: A bill for an act relating to employment; providing assistance to employees who lose their jobs, affected communities and businesses which may suffer due to business closings, plant relocations, and

reductions in operations; requiring advance notification to affected employees, employee organizations, municipalities, and the state, of business closings, plant relocations, and reductions of operations; prescribing duties of certain departments, governmental bodies, and officers with respect to business closings, plant relocations, and reductions of operations; creating the Minnesota community, business, and job preservation board; providing penalties; appropriating money; proposing new law coded as Minnesota Statutes, chapter 268A.

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

Page 2, line 23, delete “, including the state and political subdivisions”

Page 2, line 24, delete “of the state,”

Page 3, line 4, delete “other than” and insert a period

Page 3, delete lines 5 and 6

Page 12, line 14, insert “264,000” in the blank

Page 12, line 17, before the period, insert “, to be available until June 30, 1985”

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

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

H.F. No. 657: A bill for an act relating to transportation; authorizing the commissioner to expend money for railroad acquisition by a regional railroad authority; modifying requirements for compliance with standards for zoning ordinances for municipal airports; modifying the regional railroad authority act to allow municipalities to form regional railroad authorities; allowing the expenditure of certain state funds for railroad improvement and acquisition; providing an aircraft base price for taxation purposes; amending Minnesota Statutes 1982, sections 222.50, subdivision 7; 360.063, subdivisions 3, 4, and 6; 360.065, subdivision 2; 360.066, subdivision 1; 360.067, subdivision 1; 360.531, subdivision 4; 398A.02; 398A.03; 398A.04, subdivisions 8 and 9; 398A.07, subdivision 2; and Laws 1980, chapter 610, section 1, as amended.

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

Page 2, after line 14, insert:

“Sec. 2. Minnesota Statutes 1982, section 222.64, is amended to read:

222.64 [EMPLOYMENT PREFERENCE.]

Individuals who have been previously employed by railroads, whose users obtain guaranteed loans or other assistance pursuant to sections 222.46 to 222.64, shall have priority, based upon their length of service with that railroad, in employment with a purchasing carrier or other operator of a railroad benefiting from those loans or other assistance. A railroad entering into a contract with the state pursuant to the provisions of 222.46 to

222.51 shall perform all track rehabilitation and improvement work under the state contract in compliance with any agreement in effect between the railroad and its employees. When there is an agreement in effect between the railroad and its employees, work assigned to contractors shall be in compliance with applicable provisions of the agreement."

Page 14, line 28, delete "14" and insert "15"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, after the first semicolon, insert "222.64;"

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

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

H.F. No. 537: A bill for an act relating to education; providing for the inclusion of certain community college and state university faculty members in the definition of an employee under the public employment labor relations act; amending Minnesota Statutes 1982, section 179.63, subdivision 7.

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

Page 2, line 2, delete "and any" and insert "or for"

Page 2, line 3, delete the slash and insert "or"

Page 2, line 11, delete "and any" and insert "or for"

Page 2, line 12, delete the slash and insert "or"

Page 2, after line 15, insert:

"The provisions of paragraphs (1) and (2) above do not apply to an individual hired to teach one course for up to four credits for one quarter in a year."

Page 2, line 24, delete the slash and insert "or"

Page 2, after line 25, insert:

"(h) graduate assistants employed by the school in which they are enrolled in a graduate degree program;"

Reletter the clauses in sequence

Page 2, after line 34, insert:

"Sec. 2. Laws 1979, chapter 332, article I, section 116, as amended by Laws 1980, chapter 617, section 44, and Laws 1982, chapter 568, section 6, is amended to read:

Sec. 116. [EFFECTIVE DATE.]

The effective dates for Article I are as follows: sections 2, 4, 8, 40, 45, 46, 47, 58, 61, 65, 82 to 91, and 113 are effective upon final enactment. Section 64, is effective June 30, 1980. Sections 3, 5, 6 and 7 are effective July 1,

1981. The remaining provisions of Article I are effective July 1, 1979. The provisions of section 47 shall apply to all disciplinary actions taken on or after the effective date of section 47. The provisions of section 63 shall expire on July 1, 1981, but shall apply to all arbitration proceedings which are to determine contractual provisions for the 1981-1983 biennium. The provisions of section 64 shall expire on July 1, 1983 1984, but shall apply to all arbitration proceedings which are to determine contractual provisions for the next contract period. The provisions of sections 93 to 111 and 113 shall expire on July 1, 1981. The provisions of section 137.02, subdivision 4, shall not apply to sections 93 to 111."

Page 2, line 35, delete "2" and insert "3"

Page 2, line 36, delete "*Section 1*" and insert "*This act*"

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "continuing final offer arbitration for certain public employees;"

Page 1, line 6, before the period, insert "; amending Laws 1979, chapter 332, article I, section 116, as amended"

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

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

S.F. No. 1196: A bill for an act relating to taxation; sales; providing an exemption for sales by community service organizations; amending Minnesota Statutes 1982, section 297A.25, subdivision 1.

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

Delete everything after the enacting clause and insert:

"Section 1. [TEMPORARY SALES TAX EXEMPTION.]

The gross receipts from the sale of meals or tangible personal property by a nonprofit association for community service, none of the earnings of which inures to the benefit of private individuals, which sales occurred after December 31, 1977, and before the date of enactment of this act, shall be exempt from taxation under Minnesota Statutes, chapter 297A. No refunds shall be paid pursuant to this section unless the service organization can demonstrate to the commissioner of revenue that the refunds will be paid to those who paid the tax.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 2, delete "sales; providing an" and insert "providing a temporary sales tax"

Page 1, line 3, delete "; amending" and insert a period

Page 1, delete lines 4 and 5

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

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

S.F. No. 893: A bill for an act relating to the lower Red River watershed management board; removing ten year limitation for tax levy by watershed districts which are members of board; transferring a position to the classified service; amending Laws 1976, chapter 162, sections 1, as amended, and 2.

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

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

S.F. No. 79: 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 race-tracks, 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; 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.

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

Page 1, line 35, after "*of*" insert "*articles 1 to 5 of*"

Page 3, line 31, after "*under*" insert "*articles 1 to 5 of*"

Page 4, line 16, delete the comma and insert a period

Page 4, line 16, delete "*of which*" and insert "*copy*"

Page 4, line 17, delete the comma and after "*other*" insert "*copy*"

Page 5, line 2, delete "*His duties are*" and insert "*He shall*"

Page 5, lines 3, 7, and 10, delete "*to*"

Page 5, line 29, after "*under*" insert "*articles 1 to 5 of*"

Page 6, line 9, delete "in" and insert "under article 2 of"

Page 7, line 33, after "under" insert "article 2 of"

Page 8, line 21, after "under" insert "articles 1 to 5 of"

Page 9, line 6, delete the comma and insert a period

Page 9, line 6, delete "of which" and insert "copy"

Page 9, line 7, delete the comma and after "other" insert "copy"

Page 9, line 27, after "of" insert "the"

Page 10, line 31, delete "by" and insert "under articles 1 to 5 of"

Page 11, line 32, after "under" insert "articles 1 to 5 of"

Page 12, line 20, delete the comma and insert a period

Page 12, line 20, delete "of which" and insert "copy"

Page 12, line 21, delete the comma and after "other" insert "copy"

Page 14, line 13, after "under" insert "articles 1 to 5 of"

Page 14, line 36, delete the comma and insert a period

Page 14, line 36, delete "of which" and insert "copy"

Page 15, line 1, delete the comma and after "other" insert "copy"

Page 17, line 13, delete "sections 14.57 to"

Page 17, line 14, delete everything before "and" and insert "under chapter 14"

Page 18, line 9, before "COUNTY" insert "STATE OR"

Page 18, line 11, delete "county"

Page 18, line 20, delete "by sections 14.63 to 14.68" and insert "chapter 14"

Page 18, line 36, delete "may" and insert "shall"

Page 19, line 6, delete "in" and insert "under article 3 of"

Page 20, line 10, delete "is responsible for enforcing" and insert "shall enforce"

Page 20, line 20, after "in" insert "articles 1 to 5 of"

Page 21, line 23, after "under" insert "articles 1 to 5 of"

Page 27, line 12, after "of" insert "articles 1 to 5 of"

Page 28, line 30, after "under" insert "articles 1 to 5 of"

Page 29, line 17, delete "by sections 14.63 to 14.68" and insert "under chapter 14"

Page 29, line 25, after "under" insert "articles 1 to 5 of"

Page 30, line 27, after "granted" insert "him"

Page 30, line 27, delete "in" and insert "under articles 1 to 5 of"

Page 33, line 4, after the second "of" insert "articles 1 to 5 of"

Page 33, after line 23, insert:

“ARTICLE 6

COMPULSIVE GAMBLING

Section 1. [TREATMENT PROGRAMS.]

The commissioner of public welfare, after consulting with the commissioner of health, the chairman of the racing commission established by article 2, section 1, 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 if the commissioner of public welfare concludes that treatment programs will aid in 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;

(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;

(7) the estimated annual cost of establishing compulsive gambling treatment programs; and

(8) the impact of compulsive gambling on income tax collections.

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.

There is appropriated from the general fund to the commissioner of public welfare the sum of \$35,000, or so much thereof as is necessary, for the purposes of this section. This appropriation is available until January 30, 1984.”

Page 33, line 24, delete “6” and insert “7”

Page 35, after line 26, insert:

“Sec. 4. Minnesota Statutes 1982, section 273.76, is amended by adding

a subdivision to read:

Subd. 9. [LICENSED RACETRACKS; TREATMENT UNDER TAX INCREMENT.] No revenues derived from tax increment shall be used to pay the cost of redevelopment, or providing public improvements or facilities, or other public costs in connection with the construction or development of a licensed racetrack as defined in article 1, section 1. If a licensed racetrack is located wholly or partly within the boundaries of a tax increment district, no portion of the assessed value of the racetrack shall be included in the district's captured assessed value. Notwithstanding the provisions of section 273.78, this subdivision shall apply to any tax increment district or project, regardless of whether the tax increment was certified before August 1, 1979."

Page 36, line 17, delete "and provided that before this clause is applied," and insert a period

Page 36, line 18, after "under" insert "articles 1 to 5 of"

Page 47, line 4, delete "prices" and insert "prizes"

Page 51, line 4, delete "6" and insert "7"

Renumber the sections of article 7 in sequence

Amend the title as follows:

Page 1, line 15, after the semicolon, insert "providing for a study of the need for and establishment of programs for the rehabilitation of compulsive gamblers;"

Page 1, line 24, after "38.04;" insert "273.76, by adding a subdivision;"

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

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

S.F. No. 1097: A bill for an act relating to agriculture; making certain changes in the grain buyers act; changing the place of filing of farm product liens; imposing a penalty; amending Minnesota Statutes 1982, sections 223.16, subdivisions 1, 7, 8, 11, and by adding subdivisions; 223.17; 223.18; 223.19; and 336.9-401; Laws 1982, chapter 635, section 9; proposing new law coded in Minnesota Statutes, chapter 223.

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

Page 4, line 33, after the period, insert:

"The commissioner may postpone an increase in the amount of the bond until July 1, 1985, if a licensee demonstrates that the increase will impose undue financial hardship on it, and that producers will not be harmed as a result of the postponement. The commissioner may impose other restrictions on a licensee whose bond increase has been postponed."

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

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

S.F. No. 265: A bill for an act relating to public welfare; establishing limitation on the number of beds in the state program for mentally retarded persons; establishing reimbursement rates for residential and training and habilitation services; transferring certain appropriations to medical assistance; establishing case management services and screening teams; amending Minnesota Statutes 1982, sections 252.24, subdivision 1; 252.28; 256B.02, subdivision 8; and 256E.06, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 252 and 256B.

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 252.24, subdivision 1, is amended to read:

Subdivision 1. [SELECTION OF DEVELOPMENTAL ACHIEVEMENT CENTERS.] The county board shall administer developmental achievement services, *including training and habilitation services provided by licensed developmental achievement centers to residents of intermediate care facilities for the mentally retarded.* The county board shall ensure that transportation is provided for persons who fulfill the eligibility requirements of section 252.23, clause (1), utilizing the most efficient and reasonable means available. The county board may contract for developmental achievement services and transportation from a center which is licensed under the provisions of sections 245.781 to 245.813, 252.28, and 257.175, and in the board's opinion, best provides daytime developmental achievement services for mentally retarded and cerebral palsied persons within the appropriation *and medical assistance resources* made available for this purpose. Daytime developmental achievement services administered by the county board ~~shall~~ *must* comply with standards established by the commissioner pursuant to subdivision 2 and applicable *federal regulations*.

Sec. 2. Minnesota Statutes 1982, section 252.28, is amended to read:

252.28 [COMMISSIONER OF PUBLIC WELFARE; DUTIES.]

Subdivision 1. [GENERAL SCOPE.] The commissioner of public welfare ~~may~~ *shall* determine, *and shall redetermine biennially*, the need, location, size, and program of public and private residential and day care facilities and services for mentally retarded children and adults.

Subd. 2. [RULES AND LICENSES.] The commissioner of public welfare shall:

(1) Establish uniform rules, regulations, and program standards for each type of residential and day facility or service for ~~more than four~~ *mentally* retarded persons, including state institutions under control of the commissioner and serving mentally retarded persons, *and excluding mentally retarded persons residing with their families.*

(2) Grant licenses according to the provisions of Laws 1976, chapter 243, sections 2 to 13.

Subd. 3. [NEW LICENSES; CONSIDERATIONS.] (1) No new license shall be granted pursuant to this section when the issuance of the license

would substantially contribute to an excessive concentration of community residential facilities within any town, municipality, or county of the state.

(2) In determining whether a license shall be issued pursuant to this subdivision, the commissioner of public welfare shall specifically consider the population, size, land use plan, availability of community services, and the number and size of existing public and private community residential facilities in the town, municipality, or county in which a licensee seeks to operate a residence. Under no circumstances may the commissioner newly license ~~any~~ a facility pursuant to this section except as provided in section 245.812. The commissioner of public welfare shall establish uniform rules and regulations to implement the provisions of this subdivision.

(3) Licenses for community facilities and services shall be issued pursuant to section 245.821.

Subd. 4. [DECERTIFICATION CRITERIA.] The commissioner shall promulgate criteria in rule for decertification of beds in intermediate care facilities for the mentally retarded, and shall encourage providers in voluntary decertification efforts. The commissioner of public welfare shall not recommend to the commissioner of health the involuntary decertification of intermediate care facility for the mentally retarded beds prior to the availability of appropriate services for those residents affected by the decertification. The commissioner of health shall decertify those intermediate care beds determined to be not needed by the commissioner of welfare.

Sec. 3. [252.291] [LIMITATION ON DETERMINATION OF NEED.]

Subdivision 1. [MORATORIUM.] Notwithstanding section 252.28, subdivision 1, or any other law or rule to the contrary, the commissioner of public welfare shall deny any request for a determination of need and refuse to grant a license pursuant to section 245.782 for any new intermediate care facility for mentally retarded persons or for an increase in the licensed capacity of an existing facility except as provided in subdivision 2. In no event shall the total of certified intermediate care beds for mentally retarded persons in community facilities and state hospitals exceed 7,500 beds. "Certified bed" means an intermediate care bed for the mentally retarded certified by the commissioner of health for the purposes of the medical assistance program under United States Code, title 42, sections 1396 to 1396p, as amended through December 31, 1982.

Subd. 2. [EXCEPTIONS.] The commissioner of public welfare in coordination with the commissioner of health may approve a new intermediate care facility for mentally retarded persons only in the following circumstances:

(a) when the facility is developed in accordance with a request for proposal system established pursuant to subdivision 3, clause (b); or

(b) when the facility is necessary to serve the needs of identifiable mentally retarded persons who are seriously behaviorally disordered or who are physically or sensorily impaired; or

(c) to license beds in new facilities where need was determined by the commissioner prior to the effective date of this section.

Subd. 3. [DUTIES OF COMMISSIONER.] The commissioner shall:

(a) establish standard admission criteria for state hospitals, and county

utilization targets to limit and reduce the number of intermediate care beds in state hospitals and community facilities in accordance with approved waivers under United States Code, title 42, sections 1396 to 1396p, as amended through December 31, 1982, to assure that appropriate services are provided in the least restrictive setting;

(b) provide technical assistance so that county boards may establish a request for proposal system for meeting individual service plan objectives through home and community based services, alternative community services, or, if no other alternative will meet the needs of identifiable individuals for whom the county is financially responsible, a new intermediate care facility for mentally retarded persons;

(c) establish a client tracking and evaluation system as required under applicable federal waiver regulations, Code of Federal Regulations, title 42, sections 431, 435, 440, and 441, as amended through December 31, 1982;

(d) develop a state plan for the delivery and funding of residential day and support services to the mentally retarded in Minnesota and submit that plan to the clerk of each house of the Minnesota legislature on or before January 15 of each biennium beginning January 15, 1985. The biennial plan shall include:

- (1) county by county maximum intermediate care bed utilization quotas;*
- (2) plans for the development of the number and types of services alternative to intermediate care beds;*
- (3) procedures for the administration and management of the plan;*
- (4) procedures for the evaluation of the implementation of the plan; and*
- (5) the number, type, and location of intermediate care beds targeted for decertification.*

The commissioner shall modify the plan to ensure that it conforms to the medical assistance home and community-based services waiver.

Subd. 4. [MONITORING.] The commissioner of public welfare, in coordination with the commissioner of health, shall implement mechanisms to monitor and analyze the effects of the bed moratorium in the different geographic areas of the state. The commissioner of public welfare shall submit to the legislature annually beginning January 15, 1984, an assessment of the impact of the moratorium by geographic areas.

Sec. 4. Minnesota Statutes 1982, section 256B.02, subdivision 8, is amended to read:

Subd. 8. [DEFINITIONS OF MEDICAL ASSISTANCE; MEDICAL CARE.] "Medical assistance" or "medical care" means payment of part or all of the cost of the following care and services for an eligible individual whose income and resources are insufficient to meet all of such the cost:

- (1) inpatient hospital services-;*
- (2) skilled nursing home services and services of intermediate care facilities-, including training and habilitation services, as defined in section 7, subdivision 1, for mentally retarded individuals residing in intermediate care*

facilities for the mentally retarded;

- (3) physicians' services-;
- (4) outpatient hospital or clinic services-;
- (5) home health care services-;
- (6) private duty nursing services-;
- (7) physical therapy and related services-;
- (8) dental services, excluding cast metal restorations-;
- (9) laboratory and x-ray services-; and

(10) the following if prescribed by a licensed practitioner: drugs, eye-glasses, dentures, and prosthetic devices. The commissioner shall designate a formulary committee which shall advise the commissioner on the names of drugs for which payment shall be made, recommend a system for reimbursing providers on a set fee or charge basis rather than the present system, and develop methods encouraging use of generic drugs when they are less expensive and equally effective as trademark drugs. The commissioner shall appoint the formulary committee members no later than 30 days following July 1, 1981. The formulary committee shall consist of nine members, four of whom shall be physicians who are not employed by the department of public welfare, and a majority of whose practice is for persons paying privately or through health insurance, three of whom shall be pharmacists who are not employed by the department of public welfare, and a majority of whose practice is for persons paying privately or through health insurance, a consumer representative, and a nursing home representative. Committee members shall serve two year terms and shall serve without compensation. The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act, but the formulary committee shall review and comment on the formulary contents. The formulary shall not include: drugs for which there is no federal funding; over the counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under the age of seven; nutritional products; anorectics; and drugs for which medical value has not been established. Payment to drug vendors shall not be modified before the formulary is established. The commissioner may promulgate conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

The basis for determining the amount of payment shall be the actual acquisition costs of the drugs plus a fixed dispensing fee established by the commissioner. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. Establishment of this fee shall not be subject to the requirements of the administrative procedure act. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written" on the prescription as required by section 151.21, subdivision 2.

Notwithstanding the above provisions, implementation of any change in the fixed dispensing fee which has not been subject to the administrative

procedure act shall be limited to not more than 180 days, unless, during that time, the commissioner shall have initiated rulemaking through the administrative procedure act-;

(11) diagnostic, screening, and preventive services.

(12) health care pre-payment plan premiums and insurance premiums if paid directly to a vendor and supplementary medical insurance benefits under Title XVIII of the Social Security Act.

(13) abortion services, but only if one of the following conditions is met:

(a) The abortion is a medical necessity. "Medical necessity" means (1) the signed written statement of two physicians indicating the abortion is medically necessary to prevent the death of the mother, and (2) the patient has given her consent to the abortion in writing unless the patient is physically or legally incapable of providing informed consent to the procedure, in which case consent will be given as otherwise provided by law;

(b) The pregnancy is the result of criminal sexual conduct as defined in section 609.342, clauses (c), (d), (e)(i), and (f), and the incident is reported within 48 hours after the incident occurs to a valid law enforcement agency for investigation, unless the victim is physically unable to report the criminal sexual conduct, in which case the report shall be made within 48 hours after the victim becomes physically able to report the criminal sexual conduct; or

(c) The pregnancy is the result of incest, but only if the incident and relative are reported to a valid law enforcement agency for investigation prior to the abortion.

(14) transportation costs incurred solely for obtaining emergency medical care or transportation costs incurred by non-ambulatory persons in obtaining emergency or non-emergency medical care when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services. For the purpose of this clause, a person who is incapable of transport by taxicab or bus shall be considered to be non-ambulatory-;

(15) to the extent authorized by rule of the state agency, costs of bus or taxicab transportation incurred by any ambulatory eligible person for obtaining non-emergency medical care-; and

(16) any other medical or remedial care licensed and recognized under state law unless otherwise prohibited by law.

Sec. 5. [256B.092] [CASE MANAGEMENT OF MENTALLY RETARDED PERSONS.]

Subdivision 1. [COUNTY OF FINANCIAL RESPONSIBILITY, DUTIES.] Before any services may be rendered to mentally retarded persons in need of social service and medical assistance, the county of financial responsibility shall conduct a diagnostic evaluation in order to determine whether the person is or may be mentally retarded. If a client is diagnosed mentally retarded, that county must conduct a needs assessment, develop an individual service plan, and authorize placement for services. If the county of financial responsibility places a client in another county for services, the

placement shall be made in cooperation with the host county of services, and arrangements shall be made between the two counties for ongoing social services, including annual reviews of the client's individual service plan. The host county may not make changes in the service plan without approval of the county of financial responsibility.

Subd. 2. [MEDICAL ASSISTANCE.] To assure quality case management to those county clients who are eligible for medical assistance, the commissioner shall:

- (a) provide consultation on the case management process;*
- (b) assist county agencies in the screening and annual reviews of clients to assure that appropriate levels of service are provided;*
- (c) provide consultation on service planning and development of services with appropriate options;*
- (d) provide training and technical assistance to county case managers; and*
- (e) authorize payment for medical assistance services.*

Subd. 3. [TERMINATION OF SERVICES.] County agency case managers, under rules of the commissioner, shall authorize and terminate services of community and state hospital providers in accordance with individual service plans. Medical assistance services that are not needed shall not be authorized by county agencies or funded by the commissioner.

Subd. 4. [ALTERNATIVE HOME AND COMMUNITY-BASED SERVICES.] The commissioner shall make payments to county boards participating in the medical assistance program to pay costs of providing alternative home and community based services to mentally retarded persons eligible for medical assistance who have been screened under subdivision 7. Payment is available under this subdivision only for persons who, if not provided these services, would require the level of care provided in an intermediate care facility for mentally retarded persons.

Subd. 5. [FEDERAL WAIVERS.] The commissioner shall apply for any federal waivers necessary to secure, to the extent allowed by law, federal financial participation under United States Code, title 42, sections 1396 to 1396p, as amended through December 31, 1982, for the provision of services to persons who, in the absence of the services, would need the level of care provided in a state hospital or a community intermediate care facility for mentally retarded persons. The commissioner may seek amendments to the waivers or apply for additional waivers under United States Code, title 42, sections 1396 to 1396p, as amended through December 31, 1982, to contain costs. The commissioner shall ensure that payment for the cost of providing home and community based alternative services under the federal waiver plan shall not exceed the cost of intermediate care services that would have been provided in the absence of the services authorized by the waivers.

Subd. 6. [RULES.] The commissioner shall adopt temporary and permanent rules according to chapter 14, the Administrative Procedure Act, to establish required controls, documentation, and reporting of services provided in order to assure proper administration of the approved waiver plan.

Subd. 7. [SCREENING TEAMS ESTABLISHED.] Each county agency

shall establish a screening team which, under the direction of the county case manager, shall make an evaluation of need for home and community based services of persons who are entitled to the level of care provided by an intermediate care facility for mentally retarded persons or for whom there is a reasonable indication that they may need these services in the near future. The screening team shall make an evaluation of need within 15 working days of the request for services, and within five working days of an emergency admission of an individual to an intermediate care facility for mentally retarded persons. The screening team shall consist of the case manager, the client, a parent or guardian, a qualified mental retardation professional as defined in the Code of Federal Regulations, title 42, section 442.401, as amended through December 31, 1982, designated by the commissioner. The case manager shall consult with the client's physician or other persons as necessary to make this evaluation. Other persons may be invited to attend meetings of the screening team. No member of the screening team shall have any direct or indirect interest as a service provider in the case.

Subd. 8. [SCREENING TEAM DUTIES.] The screening team shall:

- (a) review diagnostic data;
- (b) review health, social, and developmental assessment data using a uniform screening tool specified by the commissioner;
- (c) identify the level of services needed to maintain the person in the most normal and least restrictive setting that is consistent with treatment needs;
- (d) identify other noninstitutional public assistance or social services that may prevent or delay long-term residential placement;
- (e) determine whether a client is in serious need of long-term residential care;
- (f) make recommendations to the county agency regarding placement and payment for: (1) social service or public assistance support to maintain a client in the client's own home or other place of residence; (2) training and habilitation services, vocational rehabilitation, and employment training activities; (3) community residential placement; (4) state hospital placement; or (5) a home and community based alternative to community residential placement or state hospital placement;
- (g) make recommendations to a court as may be needed to assist the court in making commitments of mentally retarded persons; and
- (h) inform clients that appeal may be made to the commissioner pursuant to section 256.045.

Subd. 9. [REIMBURSEMENT.] Payment must not be made to a service provider for any recipient placed in an intermediate care facility for the mentally retarded prior to the recipient being screened by the screening team. The commissioner shall not deny reimbursement for:

- (a) an individual admitted to an intermediate care facility for the mentally retarded who is assessed to need long-term supportive services if long-term supportive services other than intermediate care are not available in that community;
- (b) any individual admitted to an intermediate care facility for the mentally

retarded under emergency circumstances;

(c) any eligible individual placed in the intermediate care facility for the mentally retarded pending an appeal of the screening team's decision; or

(d) any medical assistance recipient when, after full discussion of all appropriate alternatives including those that are expected to be less costly than intermediate care for the mentally retarded, the individual or the individual's legal representative insists on intermediate care placement. The screening team shall provide documentation that the most cost effective alternatives available were offered to the individual or the individual's legal representative.

Sec. 6. Minnesota Statutes 1982, section 256B.19, is amended by adding a subdivision to read:

Subd. 3. [STUDY OF MEDICAL ASSISTANCE FINANCIAL PARTICIPATION.] *The commissioner shall study the feasibility and outcomes of implementing a variable medical assistance county financial participation rate for long-term care services to mentally retarded persons in order to encourage the utilization of alternative services to long-term intermediate care for the mentally retarded. The commissioner shall submit his findings and recommendations to the legislature by January 20, 1984.*

Sec. 7. [256B.50] [RATES FOR COMMUNITY-BASED SERVICES FOR THE MENTALLY RETARDED.]

Subdivision 1. [DEFINITIONS.] *For the purposes of this section, the following terms have the meaning given them.*

(a) "Commissioner" means the commissioner of public welfare.

(b) "Facility" means a facility licensed as a mental retardation residential facility under section 252.28, licensed as a supervised living facility under Minnesota Statutes, chapter 144, and certified as an intermediate care facility for the mentally retarded.

(c) A "service under waiver" means home or community based service authorized under the United States Code, title 42, section 1396n(c), as amended through December 31, 1982, and defined in the Minnesota state plan for the provision of medical assistance services. "Services under waiver" include at least: case management, family training and support, developmental training homes, supervised living arrangements, semi-independent living services, respite care, and training and habilitation services.

(d) "Training and habilitation services" are those health and social services needed to insure optimal functioning of persons who are mentally retarded or have related conditions. Training and habilitation services shall be provided to a client away from the residence unless medically contraindicated by an organization which does not have a direct or indirect financial interest in the organization which provides the person's residential services. This requirement does not apply to any developmental achievement center which has applied for licensure prior to April 15, 1983.

Subd. 2. [AUTHORITY.] *The commissioner shall establish procedures and make rules for determining payment rates for care of residents of inter-*

mediate care facilities for the mentally retarded which qualify as vendors of medical assistance, services under waiver, and for provision of training and habilitation services. Approved rates shall be established on the basis of methods and standards that the commissioner finds adequate to provide for the costs that must be incurred for the quality care of residents in efficiently and economically operated facilities and services. The procedures shall specify the costs that are allowable for payment through medical assistance. The commissioner may use experts from outside the department in the establishment of the procedures.

Subd. 3. [RATES FOR INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED.] *In establishing rules and procedures for setting rates for care of residents in intermediate care facilities for mentally retarded persons, the commissioner shall consider the recommendations contained in the February 11, 1983 Report of the Legislative Auditor on Community Residential Programs for the Mentally Retarded and the recommendations contained in the 1982 Report of the Department of Public Welfare Rule 52 Task Force. Rates paid to supervised living facilities for rate years beginning during the biennium ending June 30, 1985, must not exceed the final rate allowed the facility for the previous rate year by more than six percent.*

Subd. 4. [SERVICES UNDER WAIVER.] *In establishing rates for services under waiver, the commissioner shall consider the need for flexibility in the provision of those services to meet individual needs identified by the screening team.*

Subd. 5. [TRAINING AND HABILITATION SERVICES.] *(a) Except as provided in subdivision 6, rates for reimbursement under medical assistance for training and habilitation services provided by a developmental achievement center either as a service under waiver or to residents of an intermediate care facility for mentally retarded persons shall be established and paid according to this subdivision effective January 1, 1984.*

(b) Prior to August 1, 1983, the county board shall submit to the commissioner its contractual per diem rate and its maximum per client annual payment limitations, if any, for each developmental achievement center it administers pursuant to section 252.24, subdivision 1, for the period from July 1, 1983, through December 31, 1983, which shall be the medical assistance reimbursement rate established for that developmental achievement center for 1983. If the county rate is based on average daily attendance which is less than 93 percent of the developmental achievement center's average enrollment for the period from July 1, 1983 to December 31, 1983, the commissioner shall adjust that rate based on 93 percent average daily attendance.

(c) The base per diem reimbursement rate established for 1983 may be increased by the commissioner in 1984 in an amount up to the projected percentage change in the average value of the consumer price index (all urban) for 1984 over 1983. In subsequent years, the increase in the per diem rate shall not exceed the projected percentage change in the average annual value of the consumer price index (all urban) for the same time period.

(d) The county board of the county in which an intermediate care facility for mentally retarded persons is located shall contract annually with that facility and with the appropriate developmental achievement center or

training and habilitation service provider for provision of training and habilitation services for each resident of the facility for whom the services are required by the resident's individual service plan. This contract shall specify the county payment rate or the medical assistance reimbursement rate, whichever is appropriate, the training and habilitation services to be provided, and the performance standards for program provision and evaluation. A similar contract shall be entered into between the county and the developmental achievement center for persons receiving training and habilitation services from that center as a service under waiver.

(e) The commissioner shall reimburse under medical assistance up to 210 days of training and habilitation services at developmental achievement centers for those centers which provided up to 210 days of training and habilitation services in calendar year 1982. For developmental achievement centers providing more than 210 days of those services in 1982, the commissioner shall not reimburse under medical assistance for more than the number of days of service provided by those programs in 1982.

(f) Medical assistance payments for training and habilitation services shall be made directly to the training and habilitation provider after submission of invoices to the medical assistance program following procedures established by the medical assistance program.

(g) Nothing in this subdivision shall prohibit county boards from contracting for rates for services not reimbursed under medical assistance.

Subd. 6. [NEW DEVELOPMENTAL ACHIEVEMENT PROGRAMS; RATES.] *The commissioner, upon the recommendation of the local county board, shall determine the medical assistance reimbursement rate for new developmental achievement programs. The payment rate shall not exceed 125 percent of the average payment rate in the region.*

Subd. 7. [ALTERNATIVE RATES FOR TRAINING AND HABILITATION.] *Alternative methods may be proposed by the counties or the commissioner for provision of training and habilitation services during daytime hours apart from a residential facility to persons for whom needs identified in their individual service plans are not met by the training and habilitation services provided at a developmental achievement center. The commissioner shall establish procedures for approval of the proposals and for medical assistance payment of rates which must not exceed the average rate allowed in that county for training and habilitation services pursuant to subdivision 5. Nothing in this subdivision prohibits a county from contracting with a developmental achievement center for those purposes.*

Subd. 8. [PAYMENT FOR PERSONS WITH SPECIAL NEEDS.] *The commissioner shall establish by December 31, 1983, procedures to be followed by the counties to seek authorization from the commissioner for medical assistance reimbursement for services under waiver or training and habilitation services for very dependent persons with special needs in an amount greater than the rates allowed pursuant to subdivisions 2, 4, 5, and 6, and procedures to be followed for rate limitation exemptions for intermediate care facilities for mentally retarded persons. No excess payment or limitation exemption shall be authorized unless the need for the service is documented in the individual service plan of the person or persons to be served, the type and duration of the services needed are stated, and there is a*

basis for estimated cost of the services.

The commissioner shall evaluate the services provided under this subdivision through program and fiscal audits.

Subd. 9. [REPORTING REQUIREMENTS.] The developmental achievement center shall submit to the county and the commissioner no later than March 1 of each year an annual report which includes the actual program revenues and expenditures, client information, and program information. The information shall be submitted on forms prescribed by the commissioner.

Sec. 8. [RULES.]

To implement sections 1 to 7, the commissioner shall promulgate temporary and permanent rules in accordance with sections 14.01 to 14.38.

Sec. 9. Minnesota Statutes 1982, section 256E.06, is amended by adding a subdivision to read:

Subd. 2a. [STATE TRANSFER OF FUNDS.] Notwithstanding subdivisions 1 and 2, for the purpose of funding training and habilitation services provided to residents of intermediate care facilities for mentally retarded persons as required under federal regulation, the commissioner is authorized to transfer on a quarterly basis to the medical assistance state account from each county's community social services act allocation an amount equal to the state share of medical assistance reimbursement for such services provided to clients for whom said county is financially responsible. Upon federal approval and state implementation of the state medical assistance plan, county boards will not be responsible for the funding of training and habilitation services as a social service to residents of intermediate care facilities for the mentally retarded. County board responsibility for training and habilitation services shall be assumed under section 256B.20. County boards continue to be responsible for funding developmental achievement center services not covered under the medical assistance program of United States Code, title 42, sections 1396 to 1396p, as amended through December 31, 1982, and shall develop contractual agreements for those services under the authority of chapter 256E.

Sec. 10. [APPROPRIATION.]

\$400,000 is appropriated from the general fund to the commissioner of public welfare for the biennium ending June 30, 1985, to match federal money available for costs in establishing a client information system and positions needed to administer the mental retardation program.

(a) The approved complement of the department of public welfare is increased by 15 full-time positions for implementation of the case management plan, the home and community based services waiver program, assisting county agencies in screening clients for medical assistance services, technical assistance in developing community based alternatives, and management of the mental retardation medical assistance program.

(b) This appropriation for development and implementation shall be expended only with the approval of the governor after consulting with the legislative advisory commission as provided in section 3.30. Release of this money is also contingent upon submission of a plan prepared by the commissioner. The plan must describe the following:

- (1) the organization, deployment and responsibilities of requested staff;*
- (2) specification of all other administrative costs associated with the program;*
- (3) how the information system will be integrated into the community services information system, the medicaid management information system, and any other data processing operations of the department;*
- (4) the methods for implementing the system; and*
- (5) the projected costs for the maintenance and operation of the system.*

The plan must be submitted to the chairs of the house appropriations and senate finance committees.

Sec. 11. [REPEALER.]

Sections 2, 3, 5; 7, subdivisions 1 and 4; and section 10 are repealed effective June 30, 1984, if a home and community based waiver under United States Code, title 42, section 1396n(c), as amended through December 31, 1982, is not approved by June 30, 1984.

Sec. 12. [EFFECTIVE DATE.]

Sections 1 to 11 are effective the date following final enactment."

Delete the title and insert:

"A bill for an act relating to public welfare; establishing limitations on the number of beds in the state program for mentally retarded persons; establishing reimbursement rates for residential, training and habilitation services; transferring certain appropriations to medical assistance; establishing case management services and screening teams; appropriating money; amending Minnesota Statutes 1982, sections 252.24, subdivision 1; 252.28; 256B.02, subdivision 8; 256B.19, by adding a subdivision; and 256E.06, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 252 and 256B."

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

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

S.F. No. 912: A bill for an act relating to outdoor recreation; requiring licensing of cross country skiers; creating a cross country ski trail grant-in-aid program; imposing a penalty; appropriating money for recreational purposes; proposing new law coded in Minnesota Statutes, chapter 85.

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

Page 2, line 7, delete "65" and insert "64"

Page 4, line 14, delete "October" and insert "July"

Page 4, line 14, delete "September" and insert "June"

Page 5, line 16, insert "\$180,000" in the blank

Page 5, line 18, insert "10,000" in the blank

Page 5, line 18, delete "shall" and insert "may"

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

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

H.F. No. 782 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.
782	795				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 782 be amended as follows:

Pages 1 and 2, delete sections 1, 2, and 3

Page 2, lines 35 and 36, reinstate the stricken language, and delete the new language

Page 3, line 1, delete everything before the period

Page 3, delete lines 3 to 8

Page 3, line 27, delete "PETTY"

Page 3, line 28, delete "MISDEMEANORS;"

Page 3, delete lines 29 to 32

Page 3, line 33, delete "Subd. 2. [MISDEMEANORS.]"

Page 4, line 15, delete everything after "shall,"

Page 4, line 16, delete "subdivision 1,"

Page 4, line 19, delete "(a)"

Page 4, line 20, delete "of \$2,000" and insert "specified by law as of January 1, 1983, for commission of a felony"

Page 4, line 21, delete "\$4,000" and insert "twice the amount of the fine specified by law"

Page 4, delete lines 22 to 36

Page 5, delete lines 1 to 36

Page 6, delete lines 1 to 22

Page 6, line 27, delete "2 and 3" and insert "to 7" and delete "1984" and insert "1983"

Page 6, line 28, delete everything after the first "to"

Page 6, line 29, delete everything before "offenses"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "courts" and insert "crimes"

Page 1, delete lines 4 and 5

Page 1, line 6, delete "liability limits;"

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

Page 1, line 8, delete "and 3;" and delete the comma after "3" and insert "and"

Page 1, line 8, delete ", and 4a" and before "609.03" insert "and" and after "609.03;" delete "and"

Page 1, line 9, delete everything before "proposing"

And when so amended H.F. No. 782 will be identical to S.F. No. 795, and further recommends that H.F. No. 782 be given its second reading and substituted for S.F. No. 795, 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. 1224 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.
1224	952				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1224 be amended as follows:

Page 1, line 17, before "boxing" insert "wrestling and"

Page 2, line 1, delete the new language

Page 2, line 17, delete "60" and insert "30"

Page 2, line 18, before "boxing" insert "wrestling and"

Page 2, line 22, strike "The examination shall be performed at"

Page 2, line 23, strike "the expense of the promoter."

And when so amended H.F. No. 1224 will be identical to S.F. No. 952, and further recommends that H.F. No. 1224 be given its second reading and substituted for S.F. No. 952, 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. 495 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.
495	674				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 495 be amended as follows:

Page 1, line 10, after "Subd. 2." insert "[APPROVAL FOR OUTPATIENT INSURANCE.]"

Page 1, line 10, strike "has the"

Page 1, line 11, strike "authority to" and insert "may"

Page 1, line 20, after "corporation" insert a comma

Page 2, line 20, after "development" insert a comma

Page 2, line 22, delete "Notwithstanding any" and insert "The"

Page 2, line 24, delete ", the"

Page 2, delete lines 25 to 28, and insert "shall not impair any evidentiary given testimony of the outpatient's nurse, psychologist, physician, or the outpatient."

Page 3, line 8, strike "pursuant to sections 14.01 to 14.70" and insert "in accordance with chapter 14"

Page 3, line 14, delete "This" and insert "The"

Page 3, line 14, delete "shall" and insert "may"

Page 3, line 24, delete "shall" and insert "may"

Page 3, line 26, delete "it has been" and insert "the provider has"

Page 4, line 2, after "mechanisms" insert a comma

And when so amended H.F. No. 495 will be identical to S.F. No. 674, and further recommends that H.F. No. 495 be given its second reading and substituted for S.F. No. 674, 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. 435 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.
435	483				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 435 be amended as follows:

Page 1, line 10, delete "section 2" and insert "sections 2 to 4"

Page 1, line 12, delete "dwelling or other"

Page 1, line 13, delete everything after "suitable" and insert "for human shelter including any"

Page 1, line 14, delete everything after "appurtenant" and insert "or connected structure"

Page 1, line 16, delete "by a person"

Page 1, line 20, delete "or"

Page 2, lines 5 and 15, delete "of the lawful possessor" and insert "and"

Page 2, lines 19 and 23, delete "or"

Page 2, line 25, delete "licensed pursuant to section 151.19"

Page 2, line 26, after "are" insert "routinely"

Page 2, line 29, delete "burglary" and before the period insert "to gain access to money or property"

Page 2, line 31, delete "of the lawful possessor" and insert "and"

Page 3, line 1, delete "of the lawful possessor" and insert "and"

Page 3, delete lines 6 to 27, and insert:

"Sec. 3. [609.583] [FIRST BURGLARY OF A DWELLING.]

If a person is convicted of burglary of a dwelling under section 2, subdivision 1, clause (a), or subdivision 2, clause (a), and is not committed by the court to the commissioner of corrections for a term of imprisonment of more than one year, the court shall stay execution of sentence, notwithstanding the provisions of section 609.135, and shall require the defendant as a condition of probation to serve not less than 90 days incarceration in a county jail, county regional jail, county workfarm, county workhouse, or other regional or local correctional facility. The court may allow the defendant the work release privileges of section 631.425 during the period of incarceration. The period of incarceration may be waived by the court in conjunction with the defendant providing restitution to the victim or performing community work service or a combination of restitution and community work service.

Sec. 4. [609.584] [SECOND BURGLARY OF A DWELLING.]

If a person is convicted of burglary of a dwelling under section 2, subdivision 1, clause (a), or subdivision 2, clause (a), within ten years after a first conviction of burglary of a dwelling and is not committed by the court to the commissioner of corrections for a term of imprisonment of more than one

year, the court shall stay execution of sentence, notwithstanding the provisions of section 609.135, and shall require the defendant as a condition of probation to serve not less than 180 days incarceration in a county jail, county regional jail, county workfarm, county workhouse, or other regional or local correctional facility. The court may allow the defendant the work release privileges of section 631.425 during the period of incarceration. The period of incarceration may be waived by the court in conjunction with the defendant providing restitution to the victim or performing community work service or a combination of restitution and community work service."

Page 3, line 31, delete "3" and insert "5"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before the semicolon, insert "in certain instances"

And when so amended H.F. No. 435 will be identical to S.F. No. 483, and further recommends that H.F. No. 435 be given its second reading and substituted for S.F. No. 483, 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. 855 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.
855	1142				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 855 be amended as follows:

Page 1, line 25, before the period insert "by the promisee"

And when so amended H.F. No. 855 will be identical to S.F. No. 1142, and further recommends that H.F. No. 855 be given its second reading and substituted for S.F. No. 1142, 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. Willet from the Committee on Finance, to which was re-referred

S.F. No. 343: A bill for an act relating to elections; limiting campaign expenditures by congressional candidates who choose to receive a public subsidy for their campaigns; redefining certain terms in relation to congress-

sional candidates; limiting the applicability of certain provisions of law to state constitutional and state legislative candidates; providing for filing of campaign reports by certain congressional candidates; proposing expenditure limits for congressional candidates who choose to receive a public subsidy; providing a penalty for exceeding campaign expenditure limits by congressional candidates; changing the designated amount of certain income tax payments; providing for the allocation of party accounts and the general account to certain state and congressional candidates; providing estimates of minimum amounts of public subsidy to be received by certain congressional candidates; requiring signed agreements by congressional candidates who choose to receive a public subsidy; specifying when congressional candidates who accept a public subsidy must return all or part thereof; providing for the return of money from the state elections campaign fund to the general fund; making certain technical amendments; imposing penalties; amending Minnesota Statutes 1982, sections 10A.01; 10A.25; 10A.255; 10A.27; 10A.275; 10A.28; 10A.30; 10A.31; 10A.33; 10A.335; and 290.06, subdivision 11; proposing new law coded in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1982, section 10A.32.

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

Page 2, line 23, after the second comma, insert "*court of appeals*,"

Page 10, line 11, strike "or" and insert "*, court of appeals judge*,"

Page 10, line 12, before the period, insert "*, county court judge, probate court judge, or county municipal court judge*"

Page 10, after line 29, insert:

"Sec. 2. Minnesota Statutes 1982, section 10A.02, is amended by adding a subdivision to read:

Subd. 8a. In compiling and maintaining the lists and summaries required in subdivision 8, clause (g), the board may maintain a group of as many lists of contributors as a candidate has filed during the year under section 10A.20, subdivision 2, and subdivision 3, clause (b), rather than blending the lists together into a single, current alphabetical list of contributors for the year.

Sec. 3. Minnesota Statutes 1982, section 10A.02, subdivision 11, is amended to read:

Subd. 11. The board may investigate any alleged violation of this chapter. The board shall investigate any violation which is alleged in a written complaint filed with the board and, except for alleged violations of section 10A.25 or 10A.27, shall within 30 days after the filing of the complaint make a public finding of whether or not there is probable cause to believe a violation has occurred. In the case of a written complaint alleging a violation of section 10A.25 or 10A.27, the board shall either enter a conciliation agreement or make a public finding of whether or not there is probable cause, within 60 days of the filing of the complaint. The deadline for action on any written complaint may be extended by majority vote of the board. Within a reasonable time after beginning an investigation of an individual or association, the board shall notify that individual or association of the fact of the investigation. The board shall make no finding of whether or not there is

probable cause to believe a violation has occurred without notifying the individual or association of the nature of the allegations and affording an opportunity to answer those allegations. Any hearing or action of the board concerning any complaint or investigation ~~other than a finding concerning probable cause or a conciliation agreement~~ shall be ~~confidential open to the public~~. Until the board makes a public finding concerning probable cause or enters a conciliation agreement:

(a), no member, employee or agent of the board shall disclose to any individual any information obtained by that member, employee or agent concerning any complaint or investigation except as required to carry out the investigation or take action in the matter as authorized by this chapter;

(b) No individual who files or is the subject of any written complaint or supplies information to the board concerning a complaint or investigation shall disclose to any other individual any information supplied to or received from the board concerning the complaint or investigation; and

(c) Notwithstanding the provisions of clause (b), any individual subject to the provisions of that clause may reveal any information to his attorney or another individual from whom he seeks advice or guidance in the matter, or to any other individual who is subject to the provisions of clause (b) with respect to the same complaint or investigation; provided that any individual to whom information concerning a complaint or investigation is revealed as provided in this clause shall not disclose that information to any other individual. Any individual who discloses information contrary to the provisions of this subdivision shall be guilty of a misdemeanor. Except as provided in section 10A.28, after the board makes a public finding of probable cause the board shall report that finding to the appropriate law enforcement authorities.

Sec. 4. Minnesota Statutes 1982, section 10A.04, subdivision 4a, is amended to read:

Subd. 4a. [STATEMENT IN LIEU OF REPORT.] If in any reporting period the lobbyist's reportable disbursements total not over \$100 and no honorarium, gift, loan, item, or benefit equal in value to \$20 or more was given or paid to any public official, a statement to that effect in lieu of the report may be filed for that period. The unreported disbursements shall be included in the report for the following period, unless the total for that period, including the carryover, is not over \$100. The ~~October~~ January 15 report shall include all previously unreported disbursements, even though the total for the ~~preceding year~~ ~~is~~ was not over \$100."

Page 11, after line 4, insert:

"Sec. 6. Minnesota Statutes 1982, section 10A.18, is amended to read:

10A.18 [BILLS WHEN RENDERED AND PAID.]

Every person who has a bill, charge or claim against any political committee or political fund for any expenditure shall, *to the extent practicable*, render in writing to the treasurer of the committee or fund the bill, charge or claim within 60 days after the material or service is provided. ~~Failure to so present the bill, charge or claim is a misdemeanor.~~

Sec. 7. Minnesota Statutes 1982, section 10A.20, subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or occupation if self-employed, of each individual, *and the name and address of each* political committee or political fund who ~~within the year~~ has made one or more transfers or donations in kind to the political committee or political fund, including the purchase of tickets for all fund raising efforts, which in aggregate exceed \$50 \$100 for legislative candidates or ~~\$100~~ \$200 for statewide candidates or ballot questions, together with the amount and date of each transfer or donation in kind, ~~and the aggregate amount of transfers and donations in kind within the year~~ from each source so disclosed. A donation in kind shall be disclosed at its fair market value. An approved expenditure is listed as a donation in kind. A donation in kind is considered consumed in the reporting period in which it is received. *On each report, the names of contributors shall be listed in alphabetical order. The reports due ten days before the primary in an election year and seven days before a special primary must disclose the name of all contributors and the aggregate amount of transfers and donations in kind from each of those contributors since the beginning of the year. The reports due ten days before a general election and seven days before a special election must disclose either the names of all contributors and the aggregate amount of transfers and donations in kind from each of those contributors since the beginning of the year or the names of all contributors since the most recent report and the aggregate amount of transfers and donations in kind from each of those contributors since the beginning of the year. The reports due on January 31 of each year and 30 days after a special election must disclose the names of all contributors within the reporting year and the aggregate amount of transfers and donations in kind from each of those contributors within the reporting year;*

(c) The sum of contributions to the political committee or political fund during the reporting period;

(d) Each loan made or received by the political committee or political fund within the year in aggregate in excess of \$100, continuously reported until repaid or forgiven, together with the name, address, occupation and the principal place of business, if any, of the lender and any endorser and the date and amount of the loan. If any loan made to the principal campaign committee of a candidate is forgiven at any time or repaid by any entity other than that principal campaign committee, it shall be reported as a contribution for the year in which the loan was made;

(e) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (d);

(f) The sum of all receipts of the political committee or political fund during the reporting period;

(g) The name and address of each individual or association to whom aggregate expenditures, including approved expenditures, have been made by or on behalf of the political committee or political fund within the year in excess of \$100, together with the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on

whose behalf the expenditure was made, identification of the ballot question which the expenditure is intended to promote or defeat, and in the case of independent expenditures made in opposition to a candidate, the name, address and office sought for each such candidate;

(h) The sum of all expenditures made by or on behalf of the political committee or political fund during the reporting period;

(i) The amount and nature of any advance of credit incurred by the political committee or political fund, continuously reported until paid or forgiven. If any advance of credit incurred by the principal campaign committee of a candidate is forgiven at any time by the creditor or paid by any entity other than that principal campaign committee, it shall be reported as a donation in kind for the year in which the advance of credit was incurred;

(j) The name and address of each political committee, political fund, or principal campaign committee to which aggregate transfers in excess of \$100 have been made within the year, together with the amount and date of each transfer;

(k) The sum of all transfers made by the political committee, political fund, or principal campaign committee during the reporting period;

(l) For principal campaign committees only, the sum of noncampaign disbursements made in each category listed in section 10A.01, subdivision 10c during the reporting period; and

(m) The sum of all noncampaign disbursements made by the political committee, political fund, or principal campaign committee during the reporting period.

Sec. 8. Minnesota Statutes 1982, section 10A.20, subdivision 5, is amended to read:

Subd. 5. [CONTRIBUTIONS RECEIVED JUST PRIOR TO AN ELECTION.] In any statewide election any contribution or contributions from any one source totaling \$2,000 or more, or in any legislative election totaling *more than \$200 or more to a candidate for state house of representatives or more than \$400 to a candidate for state senate*, received between the last day covered in the last report prior to an election and the election shall be reported to the board in person, ~~or by telegram, or by other written notice~~ within 48 hours after ~~its receipt and the contribution was received~~; *except that the 48 hour notice requirement does not apply with respect to primary elections where the statewide or legislative candidate is unopposed in that primary. The contribution shall also be reported in the next required report.*

Sec. 9. Minnesota Statutes 1982, section 10A.20, subdivision 12, is amended to read:

Subd. 12. (a) The board shall notify by certified mail or personal service any individual who fails to file a statement required by this section.

(b) If an individual fails to file a statement due January 31 within seven days after receiving a notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the eighth day after receiving notice.

(c) If an individual fails to file a statement due before any primary or

election within three days of the date due, regardless of whether the individual has received any notice, the board may impose a late filing fee of \$50 per day, not to exceed \$500, commencing on the fourth day after the date the statement was due; *except that no late filing fee may be imposed for the first violation of subdivision 5.*

(d) The board shall further notify by certified mail or personal service any individual who fails to file any statement within 14 days after receiving a first notice from the board that the individual may be subject to a criminal penalty for failure to file a statement. An individual who knowingly fails to file the statement within seven days after receiving a second notice from the board is guilty of a misdemeanor.

Sec. 10. Minnesota Statutes 1982, section 10A.24, is amended to read:

10A.24 [DISSOLUTION OR TERMINATION.]

Subdivision 1. No political committee or political fund shall dissolve until it has settled all of its debts and disposed of all its assets in excess of \$100 and filed a termination report. The termination report may be made at any time and shall include all information required in periodic reports.

Subd. 2. Notwithstanding the provisions of subdivision 1, after mailing notice to any remaining creditors by certified mail, a political committee or political fund that has debts which were incurred more than six years previously, has disposed of all its assets, and has met the requirements of section 10A.20, subdivision 7, may file a termination report.

Subd. 3. Notwithstanding the provisions of subdivision 1, a candidate for one office who later seeks nomination or election to another office may terminate his previous principal campaign committee by transferring all funds and debts of that committee to his new principal campaign committee, provided that any outstanding unpaid bills or loans from the previous committee are assessed and continuously reported by the new committee until paid or forgiven."

Page 12, line 16, delete "\$1,500,000" and insert "\$2,500,000"

Page 12, line 17, delete "\$250,000" and insert "\$300,000"

Page 13, after line 8, insert:

"Subd. 5b. [CONGRESSIONAL CANDIDATES ACCEPTING PUBLIC SUBSIDY FACING OPPONENT NOT ACCEPTING PUBLIC SUBSIDY.] Notwithstanding the limits imposed by subdivision 2a, if a congressional candidate who has signed an agreement under section 20 to be bound by the expenditure limits imposed under that subdivision is running in a general election against an opponent who has chosen not to accept a public subsidy and whose party's congressional candidate for the same office in the last general election received more than ten percent of the vote, the congressional candidate who has signed an agreement may make aggregate expenditures equal to 125 percent of the applicable amount set forth in subdivision 2a."

Page 14, line 20, after the comma, insert "and section 10A.27, subdivision 1,"

Page 14, line 31, strike "whole dollar" and insert "multiple of \$25"

Page 14, line 35, before "The" insert "(a)"

Page 15, after line 8, insert:

"(b) The dollar amounts provided in section 10A.27, subdivision 1, shall be adjusted for 1984 in the manner provided in subdivision 1, except that the dollar amounts used for the preceding election year shall be as follows:

(1) To a candidate for governor and lieutenant governor running together, \$127,080;

(2) To a candidate for attorney general, \$21,180;

(3) To a candidate for the office of secretary of state, state treasurer, or state auditor, \$10,590;

(4) To a candidate for state senator, \$3,180; and

(5) To a candidate for state representative, \$1,590."

Page 15, line 11, after "expenditure" insert "and contribution"

Page 15, line 12, delete "section" and insert "sections" and after "10A.25" insert "and 10A.27, respectively, and as adjusted by this section"

Page 15, line 23, strike "\$60,000" and insert "\$127,080"

Page 15, line 24, strike "and \$12,000 in other years"

Page 15, line 25, strike "\$10,000" and insert "\$21,180"

Page 15, line 26, strike "and \$2,000 in other years"

Page 15, line 28, strike "\$5,000" and insert "\$10,590"

Page 15, line 29, strike "and \$1,000 in other years"

Page 15, line 30, strike "\$1,500" and insert "\$3,180"

Page 15, line 31, strike "and \$300 in other years"

Page 15, line 32, strike "\$750" and insert "\$1,590"

Page 15, line 33, strike "and \$150 in the other year"

Page 15, after line 33, insert:

"Subd. 1a. [POST-ELECTION YEAR CONTRIBUTIONS TO CANDIDATES.] In any year following an election year for the office held or sought, no candidate shall permit his principal campaign committee to accept contributions from any individual, political committee, or political fund in excess of 20 percent of the contribution limits set forth in subdivision 1, as adjusted by section 10A.255."

Page 20, lines 4, 7, 10, 13, 15, 17, and 34, delete "\$4" and insert "\$5"

Page 20, lines 19 and 24, delete "\$2" and insert "\$2.50"

Page 20, line 34, delete "\$8" and insert "\$10"

Page 21, lines 3, 9, and 12, delete "\$4" and insert "\$5"

Page 21, line 3, delete "\$8" and insert "\$10"

Page 24, line 3, delete "33-1/3" and insert "16-2/3" and before the

semicolon, insert *"for which an election will be held in 1984 and every six years thereafter"*

Page 24, after line 3, insert:

"(2) 16-2/3 percent for the office of United States senator for which an election will be held in 1988 and every six years thereafter;"

Page 24, line 4, delete *"(2)"* and insert *"(3)"*

Page 24, line 4, delete *"each of"*

Page 25, line 32, before the period, insert *"FOR REPRESENTATIVE IN CONGRESS"*

Page 25, line 33, delete *"money"* and insert *"moneys from the state elections campaign fund"*

Page 25, line 33, after *"candidates"* insert *"for the office of representative in congress"*

Page 25, line 33, delete *"from the"*

Page 25, line 34, delete *"state elections campaign fund"*

Page 25, line 34, delete *"money"* and insert *"moneys"*

Page 25, line 35, delete *"it was"* and insert *"they were"*

Page 25, line 36, delete *"money"* and insert *"those moneys"*

Page 26, delete lines 21 to 36

Page 27, delete line 1 and insert:

"Subd. 5d. [UNDISTRIBUTED MONEYS; EXCEPTION FOR CONGRESSIONAL CANDIDATES.] (a) Notwithstanding the provisions of subdivision 5c, if a congressional candidate who has signed an agreement under section 20 to be bound by campaign expenditure limits is running in a general election against an opponent who has chosen not to accept a public subsidy, the money in the opponent's party account allocated for that office and the money in the general account allocated for that office that would have been distributed to the opponent if he had signed an agreement under section 20 shall be distributed to the congressional candidate who has signed the agreement.

(b) If there are two or more congressional candidates for the same office who have signed agreements under section 20, and there is an opponent of those congressional candidates who has chosen not to accept a public subsidy, the money that would have been distributed to the opponent if he had signed an agreement shall be distributed among the congressional candidates who have signed agreements under section 20 in proportion to the amount of public subsidy to be distributed to each of those congressional candidates prior to the additional distribution under this paragraph."

Page 27, lines 9 and 36, delete *"12"* and insert *"20"*

Page 28, line 28, delete *"12"* and insert *"20"*

Page 29, line 28, delete *"12"* and insert *"20"*

Page 29, line 35, delete *"to the following:"* and insert *"that"*

Page 29, line 36, delete "(a)"

Page 30, line 2, delete "may" and insert "will"

Page 30, line 4, delete "; and" and insert a period

Page 30, delete lines 5 to 14

Page 30, line 18, delete "to the following:" and insert "that"

Page 30, line 19, delete "(a)"

Page 30, line 22, delete "; and" and insert a period

Page 30, delete lines 23 to 33

Page 31, delete lines 23 to 35

Page 32, line 10, after the semicolon, insert "and"

Page 32, line 16, delete "; and" and insert a period

Page 32, delete lines 17 to 36

Page 33, delete lines 1 and 2

Page 33, line 12, after the semicolon, insert "and"

Page 33, line 18, delete "; and" and insert a period

Page 33, delete lines 19 to 34

Page 34, lines 35 and 36, delete "11 to 14" and insert "19 to 22"

Page 35, line 16, delete "\$4" and insert "\$5"

Page 35, line 17, delete "\$8" and insert "\$10"

Page 36, line 4, after the period, insert *"If a candidate submits his signed agreement later than September 1 of a given tax year, the individuals who contribute to his principal campaign committee may not take a tax credit against their tax due for contributions made in that tax year."*

Page 36, line 8, after the period, insert *"If a congressional candidate submits his signed agreement later than September 1 of a given tax year, the individuals who contribute to his authorized committees may not take a tax credit against their tax due for contributions made in that tax year."*

Page 37, after line 21, insert:

"Sec. 26. Minnesota Statutes 1982, section 210A.24, is amended to read:

210A.24 [BILLS, WHEN RENDERED AND PAID.]

Every person who ~~shall have~~ has any bill, charge, or claim upon or against any personal campaign committee, ~~or~~ party committee, political fund, or ~~any~~ candidate, for any disbursement made, services rendered, or thing of value furnished, for political purposes, or incurred in any manner in relation to any primary or election, shall, *to the extent practicable*, render in writing to ~~such~~ that committee, fund, or candidate ~~such~~ the bill, charge, or claim within ~~ten~~ 60 days after the day of the primary or election in connection with which ~~such~~ the bill, charge, or claim was incurred. ~~No candidate and no personal campaign or party committee shall pay any bill, charge, or claim so incurred prior to any primary or election, which is not so presented within ten days after~~

such primary or election.”

Page 37, line 36, delete “17” and insert “25”

Page 38, after line 5, insert:

“Sec. 28. [ALLOCATION OF 1983 AND 1984 TAX CHECK-OFF MONEYS FOR THE OFFICE OF UNITED STATES SENATOR.]

(a) Notwithstanding the provisions of section 18, subdivision 5, paragraph (b), the moneys in each party account and the general account of the state elections campaign fund representing taxpayer designations for the tax year 1983 shall be allocated as follows: 67-2/3 percent to the offices of representative in congress; 33-1/3 percent to the office of United States senator for which an election will be held in 1984.

(b) Notwithstanding the provisions of section 18, subdivision 5, paragraph (b), the moneys in each party account and the general account of the state elections campaign fund representing taxpayer designations for the tax year 1984 shall be allocated as follows: 67-2/3 percent to the offices of representative in congress; 33-1/3 percent to the office of United States senator for which an election will be held in 1988.

Sec. 29. [RETURN OF LATE FILING FEE.]

The prohibition against a late filing fee for the first violation of section 10A.20, subdivision 5, as provided under section 9, is retroactive to September 1, 1982. Any late filing fee imposed by the ethical practices board for the first violation of that subdivision after September 1, 1982, shall be refunded to the individual who or principal campaign committee which paid the fee. Any money returned under this section shall be paid by the state treasurer out of the general fund.”

Page 38, line 7, delete “section” and insert “sections 10A.02, subdivision 11a; 10A.25, subdivision 7; and”

Page 38, line 7, delete “is” and insert “are”

Page 38, line 9, delete “Sections 1 to 19 are” and insert “ This act is”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert “clarifying and correcting certain provisions in the Ethics in Government Act;”

Page 1, line 5, after the semicolon, insert “opening to the public certain hearings conducted by the ethical practices board;”

Page 1, line 8, after the semicolon, insert “providing for the reporting of certain contributions received just prior to an election; prohibiting the imposition of a late filing fee under certain circumstances; providing for the termination of certain political committees or political funds under certain circumstances; providing for the transfer of debts and funds of a principal campaign committee under certain circumstances;”

Page 1, line 25, after the first semicolon, insert “changing the time when certain campaign bills must be rendered; providing for the return of certain late filing fees;”

Page 1, line 27, after "10A.01;" insert "10A.02, subdivision 11; and by adding a subdivision; 10A.04, subdivision 4a; 10A.18; 10A.20, subdivisions 3, 5, and 12; 10A.24;"

Page 1, line 28, before "and" and insert "210A.24;"

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred the following appointment as reported in the Journal for May 4, 1983:

TAX COURT

Earl B. Gustafson

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. 206, 1196, 893, 79, 1097, 265, 912 and 343 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 657, 537, 782, 1224, 495, 435 and 855 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Frank moved that the name of Mr. Jude be added as a co-author to S.F. No. 285. The motion prevailed.

Mr. Frank moved that the name of Mr. Jude be added as a co-author to S.F. No. 639. The motion prevailed.

Mr. Schmitz moved that Senate Concurrent Resolution No. 12 be withdrawn from the Committee on Rules and Administration and laid on the table. The motion prevailed.

Mr. Peterson, C.C. moved that S.F. No. 634 be taken from the table. The motion prevailed.

S.F. No. 634: A bill for an act relating to game and fish; establishing the joint legislative committee on fishing resources; imposing a surcharge on fishing licenses for development and improvement of state fishing resources; authorizing designation of experimental and specialized fishing waters; authorizing additional notice of netting season; licensing fishing guides; increasing certain license fees; prohibiting angling and use of tip-ups while spearing in a dark house; prohibiting issuance of new commercial game fish netting licenses; allowing designation of lakes for taking of certain muskellunge; imposing penalties for various offenses; amending Min-

nesota Statutes 1982, sections 84.027, subdivision 2; 97.48, subdivision 26, and by adding a subdivision; 97.53, by adding a subdivision; 97.55, by adding subdivisions; 98.46, subdivision 5; 98.52, by adding subdivisions; and 101.42, subdivisions 1a and 20; proposing new law coded in Minnesota Statutes, chapters 97, 98, and 102.

Mr. Peterson, C.C. moved that the Senate do not concur in the amendments by the House to S.F. No. 634, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Johnson, D.J. moved that the following members be excused for a Conference Committee on H.F. No. 1259 at 10:00 a.m.:

Messrs. Johnson, D.J.; Peterson, C.C.; Dieterich; Novak and Ms. Berglin. The motion prevailed.

S.F. No. 280 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 280

A bill for an act relating to data privacy; establishing standards and procedures for the release of financial information; proposing new law coded as Minnesota Statutes, chapter 13A.

May 10, 1983

The Honorable Jerome M. Hughes
President of the Senate

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

We, the undersigned conferees for S.F. No. 280, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and S.F. No. 280, be amended as follows:

Page 1, line 9, before "For" insert:

"Subdivision 1. [SCOPE.]"

ReNUMBER the subdivisions in sequence

Page 6, delete section 5 and insert:

"Sec. 5. [48.512] [PROCEDURES FOR OPENING CHECKING ACCOUNTS.]

Subdivision 1. [DEFINITIONS.] For the purpose of this section the following terms have the meanings given:

(a) "Financial intermediary" means any person doing business in this state who offers transaction accounts to the public;

(b) "Transaction account" means a deposit or account established and maintained by a natural person or persons under an individual or business name for personal, household, or business purposes, on which the depositor or account holder is permitted to make withdrawals by negotiable or transferable instruments, payment orders of withdrawal, or other similar device for the purpose of making payments or transfers to third persons or others, including demand deposits or accounts subject to check, draft, negotiable order of withdrawal, share draft, or other similar item. A transaction account does not include the deposit or account of a partnership having more than three partners, the personal representative of an estate, the trustee of a trust or a limited partnership.

Subd. 2. [REQUIRED INFORMATION.] Before opening or authorizing signatory power over a transaction account, a financial intermediary shall require one applicant to provide the following information on an application document signed by the applicant:

(a) full name;

(b) birth date;

(c) address of residence;

(d) address of current employment, if employed;

(e) telephone numbers of residence and place of employment, if any;

(f) social security number;

(g) driver's license or identification card number issued pursuant to section 171.07. If the applicant does not have a driver's license or identification card, the applicant may provide an identification document number issued for identification purposes by any state, federal, or foreign government if the document includes the applicant's photograph, full name, birth date, and signature;

(h) whether the applicant has had a transaction account at the same or another financial intermediary within 12 months immediately preceding the application, and, if so, the name of the financial intermediary;

(i) whether the applicant has had a transaction account closed by a financial intermediary without the applicant's consent within 12 months immediately preceding the application, and, if so, the reason the account was closed; and

(j) whether the applicant has been convicted of a criminal offense because of the use of a check or other similar item within 24 months immediately preceding the application.

A financial intermediary may require an applicant to disclose additional information.

An applicant who makes a false material statement that he does not believe to be true in an application document with respect to information required to be provided by this subdivision is guilty of perjury. The financial intermediary shall notify the applicant of the provisions of this paragraph.

Subd. 3. [CONFIRM NO INVOLUNTARY CLOSING.] Before opening or authorizing signatory power over a transaction account, the financial inter-

mediary shall attempt to verify the information disclosed for subdivision 2, clause (i). The financial intermediary may not open or authorize signatory power over a transaction account if (i) the applicant had a transaction account closed by a financial intermediary without his consent because of his issuance of dishonored checks within 12 months immediately preceding the application, or (ii) the applicant has been convicted of a criminal offense because of the use of a check or other similar item within 24 months immediately preceding the application.

If the transaction account is refused, the reasons for the refusal shall be given to the applicant in writing.

Subd. 4. [IDENTIFICATION IS REQUIRED.] A financial intermediary shall not open or authorize signatory power over a transaction account if none of the applicants provides a driver's license, identification card, or identification document as required by subdivision 2. When a minor is the applicant and the minor does not have a driver's license or identification card issued pursuant to section 171.07, the identification requirements of subdivision 2, clause (g), and this subdivision are satisfied if the minor's parent or guardian provides identification of his own that meets the identification requirement. The financial intermediary may waive the identification requirement if the applicant has had another type of account with the financial intermediary for at least one year immediately preceding the time of application.

Subd. 5. [NO LIABILITY.] The requirements of this section do not impose any liability on financial intermediaries offering transaction accounts or, except as provided in subdivisions 3 and 4, limit a financial intermediary's discretion as to whether to grant or deny an application subject to this section.

[WORTHLESS CHECK COLLECTIONS]

Sec. 6. [332.50] [CIVIL LIABILITY FOR ISSUANCE OF WORTHLESS CHECK.]

Subdivision 1. [DEFINITIONS.] "Check" means a check, draft, order of withdrawal, or similar negotiable or nonnegotiable instrument.

"Credit" means an arrangement or understanding with the drawee for the payment of the check.

Subd. 2. [ACTS CONSTITUTING.] Whoever issues any check that is dishonored and is not paid within 30 days after mailing a notice of dishonor and a copy of sections 6 and 609.535 in compliance with subdivision 3, is liable to the holder for the amount of the check plus a civil penalty of up to \$100, interest at the rate payable on judgments pursuant to section 549.09 on the face amount of the check from the date of dishonor, reasonable attorney fees if the amount of the check is over \$1,250, and a service charge not exceeding \$15 if written notice of the service charge was conspicuously displayed on the premises when the check was issued.

This subdivision prevails over any provision of law limiting, prohibiting, or otherwise regulating service charges authorized by this subdivision.

Subd. 3. [NOTICE OF DISHONOR REQUIRED.] Notice of nonpayment or dishonor and a copy of sections 6 and 609.535 shall be sent by the payee

or holder of the check to the drawer by certified mail, return receipt requested, or by regular mail, supported by an affidavit of service by mailing, to the address printed or written on the check. The issuance of a check with an address printed or written on it is a representation by the drawer that the address is the correct address for receipt of mail concerning the check. Failure of the drawer to receive a regular or certified mail notice sent to that address is not a defense to liability under this section, if the drawer has had actual notice for 30 days that the check has been dishonored.

An affidavit of service by mailing shall be retained by the payee or holder of the check.

Subd. 4. [PROOF OF IDENTITY.] The check is prima facie evidence of the identity of the drawer if the person receiving the check:

(a) records the following information about the drawer on the check, unless it is printed on the face of the check:

(1) name;

(2) home or work address;

(3) home or work telephone number; and

(4) identification number issued pursuant to section 171.07;

(b) compares the drawer's physical appearance, signature, and the personal information recorded on the check with the drawer's identification card issued pursuant to section 171.07; and

(c) initials the check to indicate compliance with these requirements.

Subd. 5. [DEFENSES.] Any defense otherwise available to the drawer also applies to liability under this section.

Sec. 7. Minnesota Statutes 1982, section 487.30, subdivision 4, is amended to read:

Subd. 4. [JURISDICTION; ~~WORTHLESS~~ DISHONORED CHECKS.] The conciliation court has jurisdiction to determine a civil action commenced by a plaintiff, resident of the county, to recover the amount of a ~~worthless~~ dishonored check issued in the county ~~within the meaning of section 609.535, notwithstanding that even though the defendant or defendants are not residents of the county provided that, if the notice of nonpayment or dishonor required by described in section 609.535, subdivision 3, is sent to the maker or drawer as specified therein and the notice states that the payee or holder of the check or other order of payment of money may commence a conciliation court action in the county where the worthless dishonored check was issued to recover the amount of the check. This subdivision does not apply to a check or other order for payment of money that has been dishonored by a stop payment order. Notwithstanding any law or rule of civil procedure to the contrary, the summons in any action commenced under this subdivision may be served anywhere within the state of Minnesota. The conciliation court clerk shall attach a copy of the dishonored check or other order for payment of money to the summons before it is issued.~~

Sec. 8. Minnesota Statutes 1982, section 488A.12, subdivision 3, is amended to read:

Subd. 3. [JURISDICTION.] (a) Excepting actions involving title to real estate, the court has jurisdiction to hear, conciliate, try, and determine civil actions at law where the amount in controversy does not exceed the sum of \$1,250. The territorial jurisdiction of the court is coextensive with the geographic boundaries of the county of Hennepin.

(b) Notwithstanding the provisions of ~~clause paragraph~~ (a), or any rule of court to the contrary, the conciliation court of Hennepin county has jurisdiction to determine an action brought pursuant to section 504.20 for the recovery of a deposit on rental property located in whole or in part in Hennepin county, and the summons in the action may be served anywhere within the state of Minnesota.

(c) Notwithstanding the provisions of ~~clause paragraph~~ (a), or any rule of court to the contrary, the conciliation court of Hennepin county has jurisdiction to determine a civil action commenced by a plaintiff, a resident of Hennepin county, to recover the amount of a ~~worthless dishonored~~ check issued in the county ~~within the meaning of section 609.535, notwithstanding that even though~~ the defendant or defendants are not residents of Hennepin county ~~provided that, if~~ the notice of nonpayment or dishonor ~~required by described in~~ section 609.535, subdivision 3, is sent to the maker or drawer as specified therein and the notice states that the payee or holder of the check ~~or other order of payment of money~~ may commence a conciliation court action in the county where the ~~worthless dishonored~~ check was issued to recover the amount of the check. This clause does not apply to a check ~~or other order for payment of money~~ that has been dishonored by a stop payment order. Notwithstanding any law or rule of civil procedure to the contrary, the summons in any action commenced under this clause may be served anywhere within the state of Minnesota. The conciliation court administrator shall attach a copy of the dishonored check ~~or other order for payment of money~~ to the summons before it is issued.

Sec. 9. Minnesota Statutes 1982, section 488A.29, subdivision 3, is amended to read:

Subd. 3. [JURISDICTION.] (a) Excepting actions involving title to real estate, the court has jurisdiction to hear, conciliate, try and determine civil actions at law where the amount in controversy does not exceed the sum of \$1,250. The territorial jurisdiction of the court is coextensive with the geographic boundaries of the county of Ramsey.

(b) Notwithstanding the provisions of ~~clause paragraph~~ (a) or any rule of court to the contrary, the conciliation court of Ramsey county has jurisdiction to determine an action brought pursuant to section 504.20 for the recovery of a deposit on rental property located in whole or in part in Ramsey county, and the summons in the action may be served anywhere in the state of Minnesota.

(c) Notwithstanding the provisions of ~~clause paragraph~~ (a) or any rule of court to the contrary, the conciliation court of Ramsey county has jurisdiction to determine a civil action commenced by a plaintiff, resident of Ramsey county, to recover the amount of a ~~worthless dishonored~~ check issued in the county ~~within the meaning of section 609.535, notwithstanding that even though~~ the defendant or defendants are not residents of Ramsey county ~~provided that, if~~ the notice of nonpayment or dishonor ~~required by described in~~

section 609.535, subdivision 3, is sent to the maker or drawer as specified therein and the notice states that the payee or holder of the check ~~or other order of payment of money~~ may commence a conciliation court action in the county where the ~~worthless dishonored~~ check was issued to recover the amount of the check. This clause does not apply to a check ~~or other order for the payment of money~~ that has been dishonored by a stop payment order. Notwithstanding any law or rule of civil procedure to the contrary, the summons in any action commenced under this clause may be served anywhere within the state of Minnesota. The conciliation court administrator shall attach a copy of the dishonored check ~~or other order for payment of money~~ to the summons before it is issued.

Sec. 10. Minnesota Statutes 1982, section 609.535, is amended to read:

609.535 [ISSUANCE OF ~~WORTHLESS~~ DISHONORED CHECKS.]

Subdivision 1. [~~DEFINITION~~ DEFINITIONS.] *For the purpose of this section, the following terms have the meanings given them.*

(a) "Check" means a check, draft, order of withdrawal, or similar negotiable or nonnegotiable instrument.

(b) "Credit" means an arrangement or understanding with the drawee for the payment of ~~the a check or other order for the payment of money to which~~ this section applies.

Subd. 2. [ACTS CONSTITUTING.] Whoever issues ~~any a check or other order for the payment of money~~ which, at the time of issuance, he intends shall not be paid, is guilty of a misdemeanor. In addition, restitution may be ordered by the court.

Subd. 3. [PROOF OF INTENT.] Any of the following is evidence sufficient to sustain a finding that the person at the time he issued the check ~~or other order for the payment of money~~, intended it should not be paid:

(1) Proof that, at the time of issuance, he did not have an account with the drawee; ~~or~~

(2) Proof that, at the time of issuance, he did not have sufficient funds or credit with the drawee and that he failed to pay the check ~~or other order~~ within five business days after mailing of notice of nonpayment or dishonor as provided in this subdivision; ~~or~~

(3) Proof that, when presentment was made within a reasonable time, the issuer did not have sufficient funds or credit with the drawee and that he failed to pay the check ~~or other order~~ within five business days after mailing of notice of nonpayment or dishonor as provided in this subdivision.

Notice of nonpayment or dishonor ~~and a copy of this section~~ shall be sent by the payee or holder of the check to the maker or drawer by certified mail, return receipt requested, or by regular mail, supported by an affidavit of service by mailing, to the address printed on the check. Refusal by the maker or drawer of the check to accept certified mail notice or failure to claim certified or regular mail notice ~~shall is not constitute~~ a defense that notice was not received.

The notice may state that unless the check is paid in full within five business days after mailing of the notice of ~~non-payment~~ nonpayment or dis-

honor, the payee or holder of the check ~~or other order for the payment of money~~ will or may refer the matter to proper authorities for prosecution under this section.

An affidavit of service by mailing shall be retained by the payee or holder of the check.

Subd. 4. [PROOF OF LACK OF FUNDS OR CREDIT.] If the check ~~or other order for the payment of money~~ has been protested, the notice of protest ~~thereof~~ is admissible as proof of presentation, nonpayment, and protest, and is evidence sufficient to sustain a finding that there was a lack of funds or credit with the drawee.

Subd. 5. [EXCEPTIONS.] This section does not apply to a postdated check or to a check given for a past consideration, except a payroll check or a check issued to a fund for employee benefits.

Subd. 6. [RELEASE OF ACCOUNT INFORMATION TO LAW ENFORCEMENT AUTHORITIES.] A drawee shall ~~not be liable in a civil or criminal proceeding for releasing~~ release the information specified below to any state, county, or local law enforcement or prosecuting authority which first certifies in writing that it is investigating or prosecuting a complaint against the drawer under this section or section 609.52, subdivision 2, clause (3)(a), and that 15 days have elapsed since the mailing of the notice of dishonor required by ~~subdivision subdivisions 3 and 8~~. This subdivision applies to the following information relating to the drawer's account:

(1) Documents relating to the opening of the account by the drawer;

(2) ~~Correspondence between the drawer and the drawee relating to the status of the account~~ *Notices regarding nonsufficient funds, overdrafts, and the dishonor of any check drawn on the account within a period of six months of the date of request;*

(3) Periodic statements mailed to the drawer by the drawee for the periods immediately prior to, during, and subsequent to the issuance of any check ~~or other order for the payment of money~~ which is the subject of the investigation or prosecution; or

(4) The last known home and business addresses and telephone numbers of the drawer.

The drawee shall release all of the information described in clauses (1) to (4) that it possesses within ten days after receipt of a request conforming to all of the provisions of this subdivision. The drawee may impose a reasonable fee for the cost for furnishing this information to law enforcement or prosecuting authorities, not to exceed 15 cents per page.

A drawee is not liable in a criminal or civil proceeding for releasing information in accordance with this subdivision.

Subd. 7. [RELEASE OF ACCOUNT INFORMATION TO PAYEE OR HOLDER.] ~~If there is a written request to a drawee from a payee or holder of a check or other order for the payment of money that has been dishonored other than by a stop payment order, which request is accompanied by a copy of the dishonored check or other order for payment of money, the A drawee is not liable in a civil or criminal proceeding for releasing shall release the informa-~~

tion specified in clauses (1) and (2) to the payee or holder ~~any~~ of a check that has been dishonored who makes a written request for this information and states in writing that the check has been dishonored and that 30 days have elapsed since the mailing of the notice described in subdivision 8 and who accompanies this request with a copy of the dishonored check and a copy of the notice of dishonor.

The requesting payee or holder shall notify the drawee immediately to cancel this request if payment is made before the drawee has released this information.

This subdivision applies to the following information relating to the drawer's account:

(1) Whether at the time the check ~~or other order for payment of money~~ was issued or presented for payment the drawer had sufficient funds or credit with the drawee, and whether at that time the account was open, closed, or restricted for any reason and the date it was closed or restricted; and

(2) The last known home ~~and business addresses~~ address and telephone ~~numbers~~ number of the drawer. A drawee may be liable in a civil or criminal proceeding for releasing the business address or business telephone number of the drawer to the payee or holder.

The drawee shall release all of the information described in clauses (1) and (2) that it possesses within ten days after receipt of a request conforming to all of the provisions of this subdivision. The drawee may require the person requesting the information to pay the reasonable costs, not to exceed 15 cents per page, of reproducing and mailing the requested information.

A drawee is not liable in a criminal or civil proceeding for releasing information in accordance with this subdivision.

Subd. 8. [NOTICE.] The provisions of subdivisions 6 and 7 are not applicable unless the notice to the maker or drawer required by subdivision 3 states that if the check ~~or other order for the payment of money~~ is not paid in full within five business days after mailing of the notice, the drawee ~~may will~~ be authorized to release information relating to the account to the payee or holder of the check ~~or other order for the payment of money~~ and may also release this information to law enforcement or prosecuting authorities.

Sec. 11. [REPEALER.]

Minnesota Statutes 1982, section 48.511, is repealed.

Sec. 12. [EFFECTIVE DATE.]

Sections 1 to 4 are effective January 1, 1984. Sections 5 to 11 are effective August 1, 1983."

Delete the title and insert:

"A bill for an act relating to commerce; establishing standards and procedures for the release of financial information; establishing procedures for opening checking accounts; providing for civil liability for issuance of dishonored checks; clarifying conciliation court jurisdiction for actions on dishonored checks; requiring release of certain account information to check holders and law enforcement authorities; amending Minnesota Stat-

utes 1982, sections 487.30, subdivision 4; 488A.12, subdivision 3; 488A.29, subdivision 3; and 609.535; proposing new law coded in Minnesota Statutes, chapters 48 and 332; proposing new law coded as Minnesota Statutes, chapter 13A; repealing Minnesota Statutes 1982, section 48.511."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Gene Merriam, Marilyn M. Lantry, Allan H. Spear, Eric D. Petty, Dean E. Johnson

House Conferees: (Signed) Joe Quinn, Randy C. Kelly, Terry Dempsey, Alan Welle, Bob Waltman

Mr. Merriam moved that the foregoing recommendations and Conference Committee Report on S.F. No. 280 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 280 was read the third time as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Knaak moved that the following members be excused for a Conference Committee on S.F. No. 800:

Messrs. Peterson, R.W.; Freeman and Knaak. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Petty moved that H.F. No. 381 be taken from the table. The motion prevailed.

Mr. Petty moved, pursuant to Joint Rule 2.05, that the Senate recede from its amendments to H.F. No. 381, adopted by the Senate March 24, and April 11, 1983.

CALL OF THE SENATE

Mr. Petty imposed a call of the Senate. The Sergeant at Arms was in-

structed to bring in the absent members.

The question recurred on the motion of Mr. Petty.

The roll was called, and there were yeas 37 and nays 23, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Luther	Petty	Stumpf
Berglin	Frank	Moe, D. M.	Pogemiller	Vega
Bertram	Hughes	Moe, R. D.	Purfeerst	Waldorf
Chmielewski	Jude	Nelson	Reichgott	Wegscheid
Dahl	Kroening	Novak	Samuelson	Willet
Davis	Langseth	Pehler	Schmitz	
DeCramer	Lantry	Peterson, C.C.	Solon	
Dicklich	Lessard	Peterson, D.C.	Spear	

Those who voted in the negative were:

Anderson	Frederick	Knutson	Olson	Storm
Belanger	Frederickson	Kronebusch	Peterson, D.L.	Taylor
Benson	Isackson	McQuaid	Renneke	Ulland
Berg	Johnson, D.E.	Mehrkens	Sieloff	
Bernhagen	Kamrath	Merriam		

The motion prevailed.

H.F. No. 381 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 41 and nays 23, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Luther	Peterson, R.W.	Stumpf
Berglin	Frank	Merriam	Petty	Vega
Bertram	Freeman	Moe, D. M.	Pogemiller	Waldorf
Chmielewski	Hughes	Moe, R. D.	Purfeerst	Wegscheid
Dahl	Jude	Nelson	Reichgott	Willet
Davis	Kroening	Novak	Samuelson	
DeCramer	Langseth	Pehler	Schmitz	
Dicklich	Lantry	Peterson, C.C.	Solon	
Diessner	Lessard	Peterson, D.C.	Spear	

Those who voted in the negative were:

Anderson	Frederick	Knaak	Olson	Storm
Belanger	Frederickson	Knutson	Peterson, D.L.	Taylor
Benson	Isackson	Kronebusch	Ramstad	Ulland
Berg	Johnson, D.E.	McQuaid	Renneke	
Bernhagen	Kamrath	Mehrkens	Sieloff	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 238 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON 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.

May 5, 1983

The Honorable Jerome M. Hughes
President of the Senate

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

We, the undersigned conferees for S.F. No. 238, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 238 be amended as follows:

Page 2, after line 19, insert:

“(a) For the purposes of sections 93.46 to 93.51, ‘peat mining’ means the removal of peat for commercial purposes, including activities associated with the removal. ‘Peat mining’ does not include removal of peat which is incidental to the harvesting of an agricultural or horticultural crop, or to mining of a metallic mineral that is subject to a mineland reclamation rule and a permit to mine.”

Page 2, line 20, delete “(a)” and insert “(b)”

Page 2, line 24, delete “(b)” and insert “(c)”

Page 2, line 29, delete “2,000” and insert “100”

Page 2, line 31, delete “at least 90 days”

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) A.W. “Bill” Diessner, Gene Merriam, John Bernhagen

House Conferees: (Signed) Willard M. Munger, Darby Nelson, Douglas W. Carlson

Mr. Diessner moved that the foregoing recommendations and Conference Committee Report on S.F. No. 238 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion did not prevail.

Mr. Diessner moved that, the Senate having failed to adopt the Conference Committee Report, S.F. No. 238 and the report be re-referred to the Conference Committee as formerly constituted for further consideration. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce 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. 1234: A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines commission, corrections ombudsman, and health related boards; providing an entitlement to certain child care services; increasing marriage license and dissolution fees; providing for distribution of federal maternal and child health block grant money; requiring cost increase limits and other cost containment measures in medical care programs; amending eligibility standards; changing general assistance to allow flat grants, employment through grant diversion and work registration requirements, and federal benefit application incentives; providing for job training for certain persons; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines commission, corrections ombudsman, and health related boards; amending Minnesota Statutes 1982, sections 129A.03; 144.653, subdivision 2; 144A.04, subdivision 5; 144A.10, subdivision 2; 145.882; 145.921, subdivision 1; 245.62; 245.66; 245.83; 245.84, subdivisions 1, 2, and 5; 245.85; 245.86; 245.87; 256.045, subdivision 3; 256.82, by adding a subdivision; 256.966, subdivision 1; 256.968; 256B.02, subdivision 8; 256B.04, subdivision 14, and by adding a subdivision; 256B.06, subdivision 1; 256B.07; 256B.14, subdivision 2; 256B.17, subdivision 4, and by adding subdivisions; 256B.27, subdivision 3; 256B.48, by adding a subdivision; 256D.01, subdivision 1; 256D.02, subdivision 4; 256D.03, subdivisions 3 and 4, and by adding subdivisions; 256D.05, subdivision 1a; 256D.06, subdivision 5; 256D.09, subdivision 2, and by adding a subdivision; 260.191, subdivision 2; 260.242, subdivision 2; 261.23; 357.021, subdivisions 2 and 2a; 401.14, by adding a subdivision; 401.15, subdivision 1; 517.08, subdivisions 1b and 1c; proposing new law coded in Minnesota Statutes, chapters 145; 252; 256; 256B; 256D; and 268; repealing Minnesota Statutes 1982, sections 256D.02, subdivision 14; 256D.05, subdivision 1a; 256D.06, subdivision 1a; 256D.22; and Laws 1981, chapter 360, article II, section 54, as amended.

Senate File No. 1234 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1983

Mr. Samuelson moved that the Senate do not concur in the amendments by the House to S.F. No. 1234, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the

following Senate File:

S.F. No. 1003: A bill for an act relating to public welfare; establishing a medical assistance social health maintenance organization demonstration project; proposing new law coded in Minnesota Statutes, chapter 256B.

There has been appointed as such committee on the part of the House:

Brandl, Onnen and Greenfield.

Senate File No. 1003 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1983

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 289.

H.F. No. 289: A bill for an act relating to the city of St. Paul; authorizing the city to permit, by ordinance, the use of an "on-sale" liquor license issued by the city at the Highland Park and Phalen Park club houses.

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

O'Connor, Osthoff and Kelly have been appointed as such committee on the part of the House.

House File No. 289 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 11, 1983

Mr. Dieterich moved that H.F. No. 289 be laid on the table. The motion prevailed.

RECESS

Mr. Luther moved that the Senate do now recess until 12:00 noon. The motion prevailed.

The hour of 12:00 noon having arrived, the President called the Senate to order.

CALL OF THE SENATE

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

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

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

indicated.

Messrs. Dahl and Willet introduced—

S.F. No. 1241: A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

Referred to the Committee on Finance.

Messrs. Kroening and Solon introduced—

S.F. No. 1242: A bill for an act relating to weights and measures; exempting certain petroleum pumps and meters from certain inspection fees; establishing a set fee; amending Minnesota Statutes 1982, sections 239.10 and 296.13.

Referred to the Committee on Economic Development and Commerce.

Ms. Peterson, D.C. introduced—

S.F. No. 1243: A resolution memorializing the President and Congress to establish a National Academy of Peace and Conflict Resolution.

Referred to the Committee on Veterans and General Legislation.

Mr. Willet, for the Committee on Finance, introduced—

S.F. No. 1244: A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government with certain conditions; providing for the transfer of certain money in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; creating, abolishing, modifying, and transferring agencies and functions; imposing penalties; amending Minnesota Statutes 1982, sections 3.922, subdivision 5; 3.9222; 6.65; 14.14, subdivision 1; 15.16, subdivision 5; 16.02, subdivision 10a, and by adding a subdivision; 16.083, subdivision 4, and by adding subdivisions; 16.084; 16.085; 16.086, subdivision 1; 16.098, subdivision 4; 16.28; 16.32, subdivision 2; 16.75, by adding a subdivision; 16.82, subdivision 1; 16.866, subdivision 1; 16A.125, subdivision 5; 16A.127, subdivisions 1 and 7; 16A.128; 16A.36; 16A.50; 16A.64, subdivisions 2 and 4; 16A.66, subdivisions 1, 2, and 3; 43A.23, subdivision 1; 105.41, subdivision 5; 105.44, subdivision 10; 116.03, subdivision 3; 116.07, subdivisions 2a, 9, and by adding a subdivision; 116.16, subdivision 10; 116.18, subdivision 1; 116.41, subdivision 2; 116C.03, subdivision 2; 116J.27, subdivisions 2 and 6; 116J.31; 116J.36, by adding a subdivision; 116J.42, subdivision 8; 124.46, subdivision 2; 136.40, subdivision 8; 176.081, subdivision 7; 176.421, subdivisions 1, 3, and 6; 176.441, subdivision 1; 176.471, subdivision 1; 181A.12, subdivision 1; 204B.32; 204D.11, subdivision 1; 206.09; 216B.164, subdivisions 2, 3, 5, 6, 8, and by adding a subdivision; 239.10; 256.481; 256.482; 290.06, subdivision 13; 290.37, subdivision 1; 290.44; 290.61; 296.18, subdivision 1; 296.421, subdivision 5; 300.49, subdivision 1, and by adding a subdivision; 301.071, by adding a subdivision; 302A.153; 302A.821; 303.07, subdivision 2; 317.67, by adding a

subdivision; 322A.16; 322A.71; 331.02, by adding a subdivision; 333.055, subdivision 3; 333.20, subdivision 4; 363.06, subdivision 4, and by adding a subdivision; 363.071, subdivision 2; 453.54, by adding a subdivision; 462A.02, subdivision 10; 462A.05, by adding subdivisions; 462A.21, by adding a subdivision; 480.09, subdivision 5; 480.241, subdivision 2; 480A.01, subdivision 2; 546.27, subdivision 2; 611.17; 648.39, subdivision 5; and Laws 1976, chapter 314, section 3; Laws 1980, chapter 564, article XII, section 1, subdivision 3; Laws 1980, chapter 614, section 192; proposing new law coded in Minnesota Statutes, chapters 4, 16A, 116C, 116J, 216B, 270, 273, 356, 462A, 471; repealing Minnesota Statutes 1982, sections 3.472; 3.86; 4.073; 16.911; 114A.01; 114A.02; 114A.03; 114A.04; 114A.05; 114A.06; 114A.07; 114A.08; 114A.09; 116J.27, subdivisions 5 and 7; 256.483; and 303.14; and Laws 1965, chapters 66 and 312.

Under the rules of the Senate, laid over one day.

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. 380: A bill for an act relating to negligence; regulating the liability of good samaritans; amending Minnesota Statutes 1982, section 604.05.

Mr. Merriam moved to amend H.F. No. 380, as amended pursuant to Rule 49, adopted by the Senate April 28, 1983, as follows:

(The text of the amended House File is identical to S.F. No. 373.)

Page 1, line 10, after the comma, insert "*including a public volunteer,*" and delete "*persons*" and insert "*a person*"

Page 1, line 10, delete "*are*" and insert "*is*" and delete "*reasonably expecting*"

Page 1, line 11, delete everything before "*acting*"

Page 1, line 12, delete the first "*their*" and insert "*his*" and delete everything after "*employment*"

Page 1, delete line 13

Page 1, line 14, delete "*service provider*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 36 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Davis	Kronebusch	Peterson, C.C.	Stumpf
Belanger	DeCramer	Laidig	Peterson, D.L.	Taylor
Benson	Frederickson	Langseth	Purfeerst	Ulland
Berg	Isackson	Lessard	Ramstad	Vega
Bernhagen	Johnson, D.E.	Mehrkens	Reichgott	
Bertram	Jude	Merriam	Renneke	
Chmielewski	Kamrath	Novak	Samuelson	
Dahl	Knaak	Olson	Storm	

Those who voted in the negative were:

Adkins	Frank	Luther	Peterson, D.C.	Spear
Berglin	Freeman	McQuaid	Peterson, R.W.	Waldorf
Brataas	Hughes	Moe, D. M.	Petty	Wegscheid
Dicklich	Knutson	Moe, R. D.	Pogemiller	Willet
Diessner	Kroening	Nelson	Schmitz	
Dieterich	Lantry	Pehler	Sieloff	

The motion prevailed. So the amendment was adopted.

H.F. No. 380 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 58 and nays 5, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kronebusch	Novak	Samuelson
Anderson	Frank	Laidig	Olson	Schmitz
Belanger	Frederickson	Langseth	Pehler	Sieloff
Benson	Freeman	Lantry	Peterson, C.C.	Storm
Berg	Hughes	Lessard	Peterson, D.C.	Stumpf
Bernhagen	Isackson	Luther	Peterson, D.L.	Taylor
Bertram	Johnson, D.E.	McQuaid	Petty	Ulland
Brataas	Jude	Mehrkens	Pogemiller	Vega
Chmielewski	Kamrath	Merriam	Purfeerst	Waldorf
Dahl	Knaak	Moe, D. M.	Ramstad	Willet
Davis	Knutson	Moe, R. D.	Reichgott	
DeCramer	Kroening	Nelson	Renneke	

Those who voted in the negative were:

Berglin	Dieterich	Peterson, R.W.	Spear	Wegscheid
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So the bill, as amended, passed and its title was agreed to.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate for the proceedings on S.F. No. 1244. The Sergeant at Arms was instructed to bring in the absent members.

SUSPENSION OF RULES

Mr. Kroening moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S.F. No. 1244 and that the rules of the Senate be so far suspended as to give S.F. No. 1244 its second and third reading and place it on its final passage. The motion prevailed.

S. F. No. 1244 was read the second time.

Mr. Frederickson moved to amend S.F. No. 1244 as follows:

Pages 103 and 104, delete section 133

Page 134, line 5, delete "133,"

Renumber the sections in sequence and correct internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 25 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Kamrath	McQuaid	Renneke
Belanger	Frederick	Knaak	Mehrkins	Storm
Berg	Frederickson	Knutson	Olson	Stumpf
Bernhagen	Isackson	Kronebusch	Peterson, D.L.	Taylor
Bertram	Johnson, D.E.	Laidig	Ramstad	Ulland

Those who voted in the negative were:

Adkins	Diessner	Lantry	Peterson, D.C.	Solon
Berglin	Frank	Lessard	Peterson, R.W.	Vega
Chmielewski	Freeman	Luther	Petty	Waldorf
Dahl	Johnson, D.J.	Merriam	Pogemiller	Wegscheid
Davis	Jude	Novak	Reichgott	Willet
DeCramer	Kroening	Pehler	Samuelson	
Dicklich	Langseth	Peterson, C.C.	Schmitz	

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

Mr. Taylor moved to amend S.F. No. 1244 as follows:

Pages 111 to 116, delete sections 142 to 148

Renumber the sections in sequence

Correct internal cross references

Amend the title as follows:

Page 1, delete lines 37 to 39

The question was taken on the adoption of the amendment.

Mr. Ulland moved that those not voting be excused from voting. The motion did not prevail.

The roll was called, and there were yeas 32 and nays 31, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Taylor
Belanger	Frederickson	Kronebusch	Peterson, D.L.	Ulland
Benson	Isackson	Laidig	Peterson, R.W.	Waldorf
Berg	Johnson, D.E.	Lantry	Petty	Wegscheid
Bernhagen	Jude	Lessard	Ramstad	
Brataas	Kamrath	McQuaid	Renneke	
Frank	Knaak	Mehrkins	Storm	

Those who voted in the negative were:

Adkins	Dieterich	Merriam	Pogemiller	Stumpf
Berglin	Freeman	Moe, D. M.	Purfeerst	Vega
Bertram	Hughes	Nelson	Reichgott	Willet
Dahl	Johnson, D.J.	Novak	Samuelson	
Davis	Kroening	Pehler	Schmitz	
DeCramer	Langseth	Peterson, C.C.	Solon	
Diessner	Luther	Peterson, D.C.	Spear	

The motion prevailed. So the amendment was adopted.

Mr. Nelson moved to amend S. F. No. 1244 as follows:

Page 88, after line 1, insert:

"Sec. 113. Minnesota Statutes 1982, section 160.08, subdivision 7, is amended to read:

Subd. 7. [NO COMMERCIAL ESTABLISHMENT WITHIN RIGHT-OF-WAY.] No commercial establishment, including but not limited to automotive service stations, for serving motor vehicle users shall be constructed or located within the right-of-way of, or on publicly owned or publicly leased land acquired or used for or in connection with, a controlled access highway, except that structures may be built within safety rest and tourist information center areas and space within state owned buildings in those areas may be leased for the purpose of providing information to travelers through commercial and public service advertising ~~pursuant to under franchise agreements as provided in sections 160.276 to 160.278 or for the purpose of placing vending machines in rest areas, tourist information centers, or weigh stations constructed or located within trunk highway rights-of-way.~~

Sec. 114. Minnesota Statutes 1982, section 160.28, is amended to read:

160.28 [PLANS FOR REST AREAS, TOURIST INFORMATION CENTERS AND WEIGH STATIONS; VENDING FACILITIES.]

~~The provisions of Subdivision 1. [CONSTRUCTION.] Any other law to the contrary notwithstanding, the commissioner of transportation is hereby authorized to cause to be prepared~~ *may prepare* plans and specifications and detailed designs for the construction of buildings and facilities for rest areas, tourist information centers in combination with rest areas, and weigh stations when ~~he the commissioner deems such~~ *these* buildings and facilities to be necessary in the interest of safety and convenient public travel on highways.

Subd. 2. [VENDING MACHINES.] Any other law to the contrary notwithstanding, the commissioner may contract for or authorize the placement of vending machines in rest areas, tourist information centers, and weigh stations for the purpose of dispensing food, drink, and other articles deemed appropriate and desirable by the commissioner. The commissioner shall give priority in placing vending machines to machines operated pursuant to United States Code, title 20, sections 107 to 107e and as provided in section 248.07."

Renumber the sections in sequence and correct internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Taylor moved to amend S.F. No. 1244 as follows:

Page 88, line 25, delete "general" and insert "special compensation"

The motion prevailed. So the amendment was adopted.

Mrs. Kronebusch moved to amend S.F. No. 1244 as follows:

Pages 48 and 49, delete section 54

Renumber the sections in sequence

Correct internal cross references

Amend the title as follows:

Page 1, line 12, delete "3.9222;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 36, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Knaak	Olson	Taylor
Belanger	Frederick	Knutson	Peterson, D.L.	Ulland
Benson	Frederickson	Kronebusch	Peterson, R.W.	
Berg	Isackson	Laidig	Ramstad	
Bernhagen	Johnson, D.E.	McQuaid	Renneke	
Brataas	Kamrath	Mehrkens	Storm	

Those who voted in the negative were:

Adkins	Diessner	Lantry	Pogemiller	Vega
Berglin	Frank	Lessard	Purfeerst	Waldorf
Bertram	Freeman	Luther	Reichgott	Wegscheid
Chmielewski	Hughes	Moe, R. D.	Samuelson	Willet
Dahl	Johnson, D.J.	Pehler	Schmitz	
Davis	Jude	Peterson, C.C.	Solon	
DeCramer	Kroening	Peterson, D.C.	Spear	
Dicklich	Langseth	Petty	Stumpf	

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

Mr. Peterson, D.L. moved to amend S.F. No. 1244 as follows:

Page 71, after line 15, insert:

"Sec. 85. Minnesota Statutes 1982, section 43A.18, subdivision 3, is amended to read:

Subd. 3. [MANAGERIAL PLAN.] The commissioner shall identify individual positions or groups of positions in the classified and unclassified service, except those listed in subdivision 4, in the executive branch as being managerial. The commissioner shall annually submit the listing of positions to the chairperson of the legislative commission on employee relations for the commission's review and comment, and shall note on each listing the changes from the prior year.

(a) The commissioner shall periodically prepare a plan for training and development, mobility, total compensation and terms and conditions of employment for employees of those positions identified as being managerial and whose salaries and benefits are not otherwise provided for in law or other plans established under chapter 43A. The plan shall include a career executive service to provide a system for identifying, developing and recognizing key individuals who occupy managerial positions in the classified service. Before becoming effective those portions of the plan establishing compensation and terms and conditions of employment shall be reviewed and approved or modified by the legislative commission on employee relations and the legislature in the same manner as provided for the commissioner's plan in subdivision 2.

(b) Incumbents of managerial positions as identified under this subdivision shall be excluded from any bargaining units under the provisions of chapter 179.

(c) The management compensation plan shall provide methods and levels

of compensation for managers that will be generally comparable to those applicable to managers in other public and private employment. Provisions of the plan shall ensure that compensation within assigned salary ranges is related to level of performance. The employee benefits established under the provisions of the managerial plan may be extended to agency heads whose salaries are established in section 15A.081, subdivision 1, and to constitutional officers, judges of the workers' compensation court of appeals, and tax court judges.

(d) The management plan shall include total compensation for individuals appointed to the career executive service. Salaries established under this plan shall be limited to 120 percent of the maximum of the salary range for the employee's job classification in the classified service.

(e) No rights or tenure shall attach to a career executive service assignment. An incumbent in the career executive service may be removed from the career executive service by the appointing authority, provided the action is made without regard to sex, race, religion, color, creed, marital status, age, national origin, disability, status with regard to public assistance or political affiliation. An employee removed from the career executive service shall receive compensation at the level formerly received plus any increases the employee would have received had the employee not been appointed to the career executive service.

(f) The career executive service shall have at least a 20 percent female membership by 1985.

An employee who is in the career executive service on July 1, 1981 and whose position, as a result of Laws 1981, Chapter 210, is no longer eligible for inclusion in the career executive service is nonetheless eligible to remain a member of the career executive service in accordance with the provisions of this section so long as the employee remains in that position."

Renumber the sections in sequence

Correct internal cross references

Amend the title as follows:

Page 1, line 21, before "43A.23" insert "43A.18, subdivision 3;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Bertram	Frederickson	Laidig	Renneke
Belanger	Brataas	Isackson	McQuaid	Sieloff
Benson	Dicklich	Kamrath	Mehrkens	Storm
Berg	Dieterich	Knaak	Moe, D. M.	Ulland
Berglin	Frank	Knutson	Peterson, D. L.	
Bernhagen	Frederick	Kronebusch	Ramstad	

Those who voted in the negative were:

Adkins	Hughes	Moe, R. D.	Pögemiller	Vega
Chmielewski	Johnson, D. J.	Nelson	Purfeerst	Waldorf
Dahl	Jude	Pehler	Reichgott	Wegscheid
Davis	Kroening	Peterson, C. C.	Samuelson	Willet
DeCramer	Lantry	Peterson, D. C.	Schmitz	
Diessner	Luther	Peterson, R. W.	Solon	
Freeman	Merriam	Petty	Spear	

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

Mr. Berg moved to amend S.F. No. 1244 as follows:

Page 72, line 26, delete "*permitted 40 acres or portion thereof*" and insert "*permit*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 25 and nays 35, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Isackson	Laidig	Ramstad
Belanger	Davis	Kamrath	McQuaid	Renneke
Berg	DeCramer	Knaak	Mehrkens	Sieloff
Bernhagen	Frederick	Knutson	Olson	Storm
Bertram	Frederickson	Kronebusch	Peterson, D.L.	Ulland

Those who voted in the negative were:

Adkins	Freeman	Lessard	Peterson, R. W.	Solon
Berglin	Hughes	Merriam	Petty	Spear
Chmielewski	Johnson, D.J.	Moe, R. D.	Pogemiller	Stumpf
Dahl	Jude	Novak	Purfeerst	Vega
Diessner	Kroening	Pehler	Reichgott	Waldorf
Dieterich	Langseth	Peterson, C.C.	Samuelson	Wegscheid
Frank	Lantry	Peterson, D.C.	Schmitz	Willet

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

RECONSIDERATION

Having voted on the prevailing side, Mrs. Lantry moved that the vote whereby the first Taylor amendment to S.F. No. 1244 was adopted on May 12, 1983, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 34 and nays 27, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Langseth	Pehler	Solon
Berglin	Diessner	Lantry	Peterson, D.C.	Spear
Bertram	Dieterich	Lessard	Peterson, R. W.	Stumpf
Chmielewski	Frank	Luther	Pogemiller	Vega
Dahl	Freeman	Merriam	Purfeerst	Wegscheid
Davis	Hughes	Moe, R. D.	Samuelson	Willet
DeCramer	Kroening	Novak	Schmitz	

Those who voted in the negative were:

Anderson	Frederickson	Kronebusch	Petty	Taylor
Belanger	Isackson	Laidig	Ramstad	Ulland
Berg	Jude	McQuaid	Reichgott	Waldorf
Bernhagen	Kamrath	Mehrkens	Renneke	
Brataas	Knaak	Olson	Sieloff	
Frederick	Knutson	Peterson, D.L.	Storm	

The motion prevailed. So the vote was reconsidered.

The question recurred on the first Taylor amendment.

Mr. Moe, R.D. moved that those not voting be excused from voting. The motion did not prevail.

The roll was called, and there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Kronebusch	Peterson, R. W.	Ulland
Belanger	Frederickson	Laidig	Petty	Waldorf
Benson	Isackson	Lantry	Ramstad	Wegscheid
Berg	Jude	McQuaid	Renneke	
Bernhagen	Kamrath	Mehrkins	Sieloff	
Brataas	Knaak	Olson	Storm	
Frank	Knutson	Peterson, D. L.	Taylor	

Those who voted in the negative were:

Adkins	Dicklich	Langseth	Novak	Samuelson
Berglin	Diessner	Lessard	Pehler	Schmitz
Bertram	Dieterich	Luther	Peterson, C. C.	Solon
Chmielewski	Freeman	Merriam	Peterson, D. C.	Spear
Dahl	Hughes	Moe, D. M.	Pogemiller	Vega
Davis	Johnson, D. J.	Moe, R. D.	Purfeerst	Willett
DeCramer	Kroening	Nelson	Reichgott	

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

Mr. Ramstad moved to amend S.F. No. 1244 as follows:

Page 116, delete section 148

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 25 and nays 36, as follows:

Those who voted in the affirmative were:

Anderson	Bertram	Kamrath	McQuaid	Renneke
Belanger	Brataas	Knaak	Mehrkins	Sieloff
Benson	Frederick	Knutson	Olson	Storm
Berg	Frederickson	Kronebusch	Peterson, D. L.	Taylor
Bernhagen	Isackson	Laidig	Ramstad	Ulland

Those who voted in the negative were:

Adkins	Dieterich	Lantry	Pehler	Solon
Berglin	Frank	Lessard	Peterson, D. C.	Spear
Chmielewski	Freeman	Luther	Petty	Vega
Dahl	Hughes	Merriam	Pogemiller	Waldorf
Davis	Johnson, D. J.	Moe, D. M.	Purfeerst	
DeCramer	Jude	Moe, R. D.	Reichgott	
Dicklich	Kroening	Nelson	Samuelson	
Diessner	Langseth	Novak	Schmitz	

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

Mr. Sieloff moved to amend S.F. No. 1244 as follows:

Pages 104 and 105, delete section 134

Page 134, line 5, delete “, 134,”

Renumber the sections in sequence and correct internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 35, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Knaak	Mehrkens	Storm
Belanger	Frederick	Knutson	Merriam	Taylor
Benson	Frederickson	Kronebusch	Peterson, D.L.	Ulland
Berg	Freeman	Laidig	Ramstad	
Bernhagen	Isackson	Lessard	Renneke	
Brataas	Kamrath	McQuaid	Sieloff	

Those who voted in the negative were:

Adkins	Dicklich	Langseth	Peterson, R.W.	Solon
Berglin	Diessner	Lantry	Petty	Spear
Bertram	Frank	Luther	Pogemiller	Stumpf
Chmielewski	Hughes	Moe, D. M.	Purfeerst	Vega
Dahl	Johnson, D.J.	Nelson	Reichgott	Waldorf
Davis	Jude	Novak	Samuelson	Wegscheid
DeCramer	Kroening	Peterson, D.C.	Schmitz	Willet

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

Mr. Storm moved to amend S.F. No. 1244 as follows:

Page 102, line 14, delete "*handicapped*" and insert "*physically, mentally, or emotionally impaired*"

The motion prevailed. So the amendment was adopted.

Mr. Anderson moved to amend S.F. No. 1244 as follows:

Page 106, delete section 136

Pages 110 and 111, delete sections 140 and 141

Renumber the sections in sequence and correct internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knaak	Olson	Taylor
Belanger	Frederickson	Laidig	Peterson, D.L.	Ulland
Berg	Freeman	Lessard	Ramstad	Wegscheid
Bernhagen	Isackson	McQuaid	Sieloff	
Brataas	Kamrath	Mehrkens	Storm	

Those who voted in the negative were:

Adkins	Diessner	Merriam	Petty	Stumpf
Benson	Frank	Moe, D. M.	Pogemiller	Vega
Bertram	Hughes	Moe, R. D.	Purfeerst	Waldorf
Chmielewski	Jude	Nelson	Reichgott	Willet
Dahl	Kroening	Pehler	Samuelson	
Davis	Langseth	Peterson, D.C.	Schmitz	
DeCramer	Lantry	Peterson, R.W.	Solon	

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

Mr. Knutson moved to amend S.F. No. 1244 as follows:

Page 23, line 35, delete "except that" and insert a period

Page 23, delete lines 36 to 38

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 25 and nays 31, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Merriam	Sieloff
Belanger	Frederickson	Kronebusch	Olson	Stumpf
Benson	Isackson	Laidig	Peterson, D.L.	Taylor
Berg	Kamrath	McQuaid	Ramstad	Ulland
Bernhagen	Knaak	Mehrkens	Renneke	Wegscheid

Those who voted in the negative were:

Adkins	Frank	Lessard	Peterson, R.W.	Vega
Bertram	Freeman	Luther	Petty	Waldorf
Chmielewski	Hughes	Moe, D. M.	Pogemiller	Willet
Dahl	Jude	Moe, R. D.	Purfeerst	
Davis	Kroening	Nelson	Reichgott	
DeCramer	Langseth	Pehler	Samuelson	
Dicklich	Lantry	Peterson, D.C.	Schmitz	

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

Mr. Kamrath moved to amend S.F. No. 1244 as follows:

Pages 92 to 95, delete sections 121 and 122

Renumber the sections in sequence and correct internal references

Amend the title accordingly

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

Mr. Sieloff moved to amend S.F. No. 1244 as follows:

Page 134, line 8, after the period, insert "*Sections 142 to 148 are effective July 1, 1985.*"

The motion prevailed. So the amendment was adopted.

Mr. Frank moved to amend S.F. No. 1244 as follows:

Page 98, line 24, delete "*shall*" and insert "*may*"

Page 98, line 32, delete "*shall*" and insert "*may*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 40 and nays 15, as follows:

Those who voted in the affirmative were:

Adkins	Chmielewski	Knaak	Mehrkens	Ramstad
Anderson	Frank	Knutson	Merriam	Reichgott
Belanger	Frederick	Kronebusch	Olson	Renneke
Benson	Frederickson	Laidig	Pehler	Sieloff
Berg	Freeman	Langseth	Peterson, D.L.	Storm
Bernhagen	Isackson	Lantry	Peterson, R.W.	Ulland
Bertram	Jude	Lessard	Petty	Waldorf
Brataas	Kamrath	McQuaid	Purfeerst	Wegscheid

Those who voted in the negative were:

Dahl	Dicklich	Luther	Peterson, D.C.	Stumpf
Davis	Diessner	Moe, R. D.	Pogemiller	Vega
DeCramer	Kroening	Nelson	Samuelson	Willet

The motion prevailed. So the amendment was adopted.

Mr. Frank then moved to amend S.F. No. 1244 as follows:

Page 96, line 13, after "at" insert "70 percent of"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 37 and nays 18, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knutson	Olson	Sieloff
Anderson	Frank	Kronebusch	Peterson, D.L.	Storm
Belanger	Frederick	Laidig	Peterson, R.W.	Stumpf
Benson	Frederickson	Langseth	Petty	Ulland
Berg	Freeman	Lantry	Purfeerst	Wegscheid
Bernhagen	Isackson	McQuaid	Ramstad	
Brataas	Kamrath	Mehrkins	Reichgott	
Chmielewski	Knaak	Merriam	Renneke	

Those who voted in the negative were:

Bertram	Hughes	Luther	Samuelson	Waldorf
Dahl	Jude	Nelson	Solon	Willet
Davis	Kroening	Pehler	Taylor	
Diessner	Lessard	Peterson, D.C.	Vega	

The motion prevailed. So the amendment was adopted.

Mr. Laidig moved to amend S.F. No. 1244 as follows:

Page 51, after line 35, insert:

"Sec. 61. Minnesota Statutes 1982, section 16.02, is amended by adding a subdivision to read:

Subd. 30. May provide rental space within the capitol complex for a private daycare center for children of state employees. The commissioner shall contract for services as provided in chapter 16. The commissioner shall report back to the Legislature by January 15, 1984, with the recommendation to implement the private day care operation."

Renumber the sections in sequence and correct internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 29, as follows:

Those who voted in the affirmative were:

Anderson	Frederickson	Kronebusch	Ramstad	Taylor
Benson	Isackson	Laidig	Renneke	Ulland
Brataas	Kamrath	McQuaid	Sieloff	Wegscheid
DeCramer	Knaak	Olson	Spear	
Frederick	Knutson	Peterson, D.L.	Storm	

Those who voted in the negative were:

Adkins	Dicklich	Kroening	Nelson	Solon
Bernhagen	Diessner	Langseth	Pehler	Stumpf
Bertram	Frank	Lantry	Peterson, R.W.	Vega
Chmielewski	Freeman	Lessard	Petty	Waldorf
Dahl	Hughes	Mehrkins	Reichgott	Willet
Davis	Jude	Merriam	Samuelson	

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

Mr. Frederick moved to amend S.F. No. 1244 as follows:

Page 75, delete section 90

Renumber the sections in sequence and correct internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Knutson	Olson	Taylor
Belanger	Frederick	Kronebusch	Peterson, D.L.	Ulland
Benson	Frederickson	Laidig	Ramstad	
Berg	Isackson	Lessard	Renneke	
Bernhagen	Kamrath	McQuaid	Sieloff	
Bertram	Knaak	Mehrkens	Storm	

Those who voted in the negative were:

Adkins	Frank	Luther	Petty	Vega
Chmielewski	Freeman	Merriam	Purfeerst	Waldorf
Dahl	Hughes	Moe, R. D.	Reichgott	Wegscheid
Davis	Jude	Nelson	Samuelson	Willet
DeCramer	Kroening	Pehler	Solon	
Dicklich	Langseth	Peterson, D.C.	Spear	
Diessner	Lantry	Peterson, R.W.	Stumpf	

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

Mrs. Brataas moved to amend S. F. No. 1244 as follows:

Page 48, line 2, before "is" insert "subdivision 2,"

Page 48, delete lines 4 to 8

Page 48, lines 9 to 18, reinstate the stricken language and delete the new language

Page 48, line 19, reinstate "July 1, 1981." and "Non-legislator members"

Page 48, delete line 21 and insert "~~provided in section 15-059~~ shall not be paid per diem or expenses. The persons appointed by the"

Page 48, lines 22 to 25, reinstate the stricken language

Page 48, delete lines 26 to 36

Page 49, delete lines 1 to 31

Amend the title as follows:

Page 1, line 12, after "3.9222" insert ", subdivision 2"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 25 and nays 31, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Knaak	Mehrkens	Sieloff
Belanger	Frederick	Knutson	Olson	Storm
Benson	Frederickson	Kronebusch	Peterson, D.L.	Taylor
Berg	Isackson	Laidig	Ramstad	Ulland
Bernhagen	Kamrath	McQuaid	Renneke	Wegscheid

Those who voted in the negative were:

Adkins	Diessner	Lantry	Peterson, D. C.	Stumpf
Bertram	Frank	Lessard	Peterson, R. W.	Vega
Chmielewski	Freeman	Luther	Petty	Willet
Dahl	Hughes	Merriam	Reichgott	
Davis	Jude	Moe, R. D.	Samuelson	
DeCramer	Kroening	Nelson	Solon	
Dicklich	Langseth	Pehler	Spear	

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

Ms. Olson moved to amend S.F. No. 1244 as follows:

Page 25, delete lines 31 and 32

Page 25, line 33, after "year" insert "and \$40,000 the second year"

Page 25, delete lines 36 to 38

Page 83, delete section 105

Page 83, line 27, delete "train" and insert "*enter into an agreement with the state board of vocational technical education for the provision of training*"

Page 83, line 30, after the period, insert "*The commissioner with the commissioner of administration shall develop a plan to improve participation by state building operators in energy management training.*"

Pages 83 and 84, delete section 107

Renumber the sections in sequence and correct internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 29 and nays 31, as follows:

Those who voted in the affirmative were:

Adkins	Brataas	Knaak	Mehrkens	Storm
Anderson	Chmielewski	Knutson	Olson	Stumpf
Belanger	Frederick	Kronebusch	Peterson, D. L.	Taylor
Benson	Frederickson	Laidig	Ramstad	Ulland
Berg	Isackson	Lessard	Renneke	Wegscheid
Bernhagen	Kamrath	McQuaid	Sieloff	

Those who voted in the negative were:

Berglin	Dieterich	Lantry	Pehler	Vega
Bertram	Frank	Luther	Peterson, D. C.	Waldorf
Dahl	Freeman	Merriam	Peterson, R. W.	Willet
Davis	Hughes	Moe, D. M.	Petty	
DeCramer	Jude	Moe, R. D.	Samuelson	
Dicklich	Kroening	Nelson	Solon	
Diessner	Langseth	Novak	Spear	

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

S.F. No. 1244 was read the third time.

RECONSIDERATION

Having voted on the prevailing side, Mr. Petty moved that the vote

whereby the second Sieloff amendment to S.F. No. 1244 was adopted on May 12, 1983, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 38 and nays 26, as follows:

Those who voted in the affirmative were:

Berglin	Dieterich	Lantry	Pehler	Solon
Bertram	Frank	Lessard	Peterson, D.C.	Spear
Chmielewski	Freeman	Luther	Peterson, R.W.	Stumpf
Dahl	Hughes	Merriam	Pogemiller	Vega
Davis	Johnson, D.J.	Moe, D. M.	Purfeerst	Waldorf
DeCramer	Kroening	Moe, R. D.	Reichgott	Willet
Dicklich	Laidig	Nelson	Samuelson	
Diessner	Langseth	Novak	Schmitz	

Those who voted in the negative were:

Adkins	Brataas	Knaak	Peterson, D.L.	Ulland
Anderson	Frederick	Knutson	Petty	Wegscheid
Belanger	Frederickson	Kronebusch	Ramstad	
Benson	Isackson	McQuaid	Renneke	
Berg	Jude	Mehrkens	Storm	
Bernhagen	Kamrath	Olson	Taylor	

The motion prevailed. So the vote was reconsidered.

RECONSIDERATION

Having voted on the prevailing side, Mr. Ulland moved that the vote whereby the second Frank amendment to S.F. No. 1244 was adopted on May 12, 1983, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 25 and nays 40, as follows:

Those who voted in the affirmative were:

Belanger	Frederick	Langseth	Peterson, R.W.	Spear
Bertram	Frederickson	McQuaid	Ramstad	Stumpf
Brataas	Kamrath	Mehrkens	Reichgott	Taylor
Dahl	Knaak	Merriam	Renneke	Ulland
Davis	Knutson	Peterson, D.L.	Sieloff	Waldorf

Those who voted in the negative were:

Adkins	Dicklich	Jude	Moe, R. D.	Purfeerst
Anderson	Diessner	Kroening	Nelson	Samuelson
Benson	Dieterich	Kronebusch	Novak	Schmitz
Berg	Frank	Laidig	Olson	Solon
Berglin	Freeman	Lantry	Pehler	Storm
Bernhagen	Hughes	Lessard	Peterson, D.C.	Vega
Chmielewski	Isackson	Luther	Petty	Wegscheid
DeCramer	Johnson, D.J.	Moe, D. M.	Pogemiller	Willet

The motion did not prevail.

RECONSIDERATION

Having voted on the prevailing side, Mr. Ulland moved that the vote whereby the first Frank amendment to S.F. No. 1244 was adopted on May

12, 1983, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 20 and nays 45, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Knaak	Olson	Renneke
Belanger	Frederick	Knutson	Peterson, D.L.	Sieloff
Benson	Frederickson	Kronebusch	Peterson, R.W.	Taylor
Brataas	Kamrath	McQuaid	Ramstad	Ulland

Those who voted in the negative were:

Adkins	Dicklich	Laidig	Nelson	Schmitz
Berg	Diessner	Langseth	Novak	Solon
Berglin	Frank	Lantry	Pehler	Spear
Bernhagen	Freeman	Lessard	Peterson, D.C.	Storm
Bertram	Hughes	Luther	Petty	Stumpf
Chmielewski	Isackson	Mehrkens	Pogemiller	Vega
Dahl	Johnson, D.J.	Merriam	Purfeerst	Waldorf
Davis	Jude	Moe, D. M.	Reichgott	Wegscheid
DeCramer	Kroening	Moe, R. D.	Samuelson	Willet

The motion did not prevail.

The question was taken on the passage of S.F. No. 1244, as amended.

The roll was called, and there were yeas 41 and nays 25, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Lessard	Peterson, D.C.	Stumpf
Berglin	Frank	Luther	Peterson, R.W.	Vega
Bertram	Freeman	Merriam	Pogemiller	Waldorf
Chmielewski	Hughes	Moe, D. M.	Purfeerst	Wegscheid
Dahl	Johnson, D.J.	Moe, R. D.	Reichgott	Willet
Davis	Jude	Nelson	Samuelson	
DeCramer	Kroening	Novak	Schmitz	
Dicklich	Langseth	Pehler	Solon	
Diessner	Lantry	Peterson, C.C.	Spear	

Those who voted in the negative were:

Anderson	Brataas	Knaak	Mehrkens	Renneke
Belanger	Frederick	Knutson	Olson	Sieloff
Benson	Frederickson	Kronebusch	Peterson, D.L.	Storm
Berg	Isackson	Laidig	Petty	Taylor
Bernhagen	Kamrath	McQuaid	Ramstad	Ulland

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

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. 1234: Messrs. Samuelson; Johnson, D.E.; Spear; Dicklich and Knutson.

S.F. No. 634: Messrs. Peterson, C.C.; Johnson, D.J.; Merriam; Bernhagen and Kroening.

S.F. No. 292: Messrs. Luther, Petty and Storm.

H.F. No. 92: Messrs. Nelson; Merriam; Peterson, R.W.; Pehler and Peterson, D.L.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House, First Reading of House Bills, Reports of Committees and Second Reading of Senate Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 1290.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 12, 1983

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 1290: A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government with certain conditions; providing for the transfer of certain money in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; creating, abolishing, modifying, and transferring agencies and functions; imposing a penalty; amending Minnesota Statutes 1982, sections 3.732, by adding a subdivision; 15.16, subdivision 5; 15A.083, subdivision 1; 16.32, subdivision 2; 16.75, by adding a subdivision; 16.82, subdivision 1; 16.866, subdivision 1; 16A.125, subdivision 5; 16A.127, subdivisions 1 and 7; 16A.36; 16A.50; 16A.64, subdivisions 2 and 4; 16A.66, subdivisions 1, 2, and 3; 40.072, subdivision 3; 43A.05, subdivision 5; 85A.01, subdivision 2; 85A.04, subdivision 3; 98.47, by adding a subdivision; 98.48, subdivision 9; 105.405, subdivision 2; 105.41, subdivision 5; 116.07, subdivision 2a; 124.46, subdivision 2; 136.40, subdivision 8; 169.123, subdivision 6; 175A.05; 176.183, subdivision 2; 179.7411; 181A.12, subdivision 1; 183.375, subdivision 5; 183.411, subdivision 3; 183.545; 183.57, subdivision 2; 256.481; 256.482; 270.18; 271.01, subdivision 1; 290.06, subdivision 13; 296.18, subdivision 1; 296.421, subdivision 5; 309.53, subdivision 2, and by adding a subdivision; 357.08; 363.02, subdivision 1; 363.06, subdivision 4, and by adding a subdivision; 363.071,

subdivision 2; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; 480.09, subdivision 5; 480.241, subdivision 2; 480A.01, subdivision 2; 481.01; and 546.27, subdivision 2; Laws 1976, chapter 314, section 3; Laws 1980, chapter 614, section 192; proposing new law coded in Minnesota Statutes, chapters 3; 16A; 116C; 198; 270; repealing Minnesota Statutes 1982, sections 3.472; 3.86; 4.073; 105.71; 105.72; 105.73; 105.74; 105.75; 105.751; 105.76; 105.77; 105.78; 105.79; 114A.01; 114A.02; 114A.03; 114A.04; 114A.05; 114A.06; 114A.07; 114A.08; 114A.09; 193.35; 297A.05; and Laws 1965, chapter 66.

SUSPENSION OF RULES

Mr. Kroening moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 1290 and that the rules of the Senate be so far suspended as to give H.F. No. 1290 its second and third reading and place it on its final passage.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 42 and nays 22, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Luther	Peterson, D.C.	Spear
Berglin	Frank	Mehrkens	Peterson, R.W.	Stumpf
Bertram	Hughes	Merriam	Petty	Vega
Chmielewski	Johnson, D.J.	Moe, D. M.	Pogemiller	Waldorf
Dahl	Jude	Moe, R. D.	Purfeerst	Wegscheid
Davis	Kroening	Nelson	Reichgott	Willet
DeCramer	Langseth	Novak	Samuelson	
Dicklich	Lantry	Pehler	Schmitz	
Diessner	Lessard	Peterson, C.C.	Solon	

Those who voted in the negative were:

Anderson	Brataas	Knaak	Peterson, D.L.	Taylor
Belanger	Frederick	Knutson	Ramstad	Ulland
Benson	Frederickson	Kronebusch	Renneke	
Berg	Isackson	McQuaid	Sieloff	
Bernhagen	Kamrath	Olson	Storm	

The motion did not prevail.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Kroening moved that S.F. No. 1244 be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

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

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

S.F. No. 810: A bill for an act relating to energy; providing for comprehensive energy programs; reorganizing the energy functions of state government; providing for energy related bonds; appropriating money; amending Minnesota Statutes 1982, sections 116C.03, subdivision 2; 116J.03,

subdivision 1; 116J.09; 116J.10; 116J.88, subdivisions 4, 5, 6, 7, and 8, and by adding a subdivision; 116J.89, subdivisions 1, 2, and 7, and by adding subdivisions; 116J.90, subdivisions 2, 4, and 5; 116J.91, subdivisions 1, 4, 10, 11, 12, 14, 16, and 19, and by adding a subdivision; 462A.02, subdivision 10; 462A.05, by adding subdivisions; proposing new law coded in Minnesota Statutes, chapters 116J; 216A; and 462A; proposing new law coded as Minnesota Statutes, chapter 116L; repealing Minnesota Statutes 1982, sections 116J.62; 116J.88, subdivision 3; and 116J.89, subdivisions 8, 9, and 10.

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 15.039, is amended to read:

15.039 [EFFECT OF TRANSFER OF POWERS AMONG AGENCIES.]

Subdivision 1. [APPLICATION OF SECTION.] The provisions of this section apply whenever the responsibilities of an agency are transferred by law to another agency unless the act directing the transfer provides otherwise. The term "responsibilities" includes powers, duties, rights, obligations, and other authority imposed by law on an agency. The term "new agency" means the agency to which responsibilities have been transferred from another agency.

Subd. 2. [IN GENERAL.] The new agency is a continuation of the former agency as to those matters within the jurisdiction of the former agency ~~which~~ *that* are transferred to the new agency. Following a transfer the new agency shall carry out the assigned responsibilities as though the responsibilities of the former agency had not been transferred. ~~No~~ A transfer ~~constitutes~~ *is not* a new authority for the purpose of succession to all responsibilities of the former agency as constituted at the time of the transfer.

Subd. 3. [RULES.] All rules adopted pursuant to responsibilities ~~which~~ *that* are transferred to another agency remain effective and shall be enforced ~~until amended or repealed in accordance with law~~ *until amended or repealed in accordance with law* by the new agency. Any rulemaking authority ~~which that~~ *which* existed to implement the responsibilities ~~which that~~ *which* are transferred is transferred to the new agency.

Subd. 4. [COURT ACTIONS.] Any proceeding, court action, prosecution, or other business or matter ~~which~~ *which* is pending on the effective date of a transfer of responsibilities may be conducted ~~and completed~~ *and completed* by the new agency in the same manner ~~under the same terms and conditions, and with the same effect,~~ *under the same terms and conditions, and with the same effect,* as though it ~~involved or were commenced and~~ *involved or were commenced and* conducted or completed by the former agency prior to the transfer.

Subd. 5. [CONTRACTS; RECORDS.] The agency whose responsibilities are transferred shall give all contracts, books, maps, plans, papers, records, and property of every description relating to the transferred responsibilities and within its jurisdiction or control to the new agency. The new agency shall accept the material presented. *The transfer shall be made in accordance with the directions of the new agency.*

Subd. 6. [UNEXPENDED FUNDS.] ~~All~~ *The* unexpended funds ~~originally appropriated~~ *balance of any appropriation* to an agency for the purposes of

any responsibilities ~~which~~ *that* are transferred to another agency are reappropriated under the same conditions as the original appropriation to the new agency effective on the date of the transfer of responsibilities. If the responsibilities are transferred to more than one agency, the commissioner of finance shall allocate any unexpended appropriation to the agencies affected. *The new agencies shall pay all valid claims presented against those appropriations.*

Subd. 7. [PERSONNEL.] ~~The~~ *All* classified and unclassified positions associated with the responsibilities being transferred are abolished in the agency whose responsibilities are transferred. The approved staff complement for that agency is decreased accordingly. The employees who fill the abolished positions are employees of the agency receiving the new responsibilities. The approved staff complement for that agency is increased accordingly. Personnel changes are effective on the date of transfer of responsibilities. *Nothing in this subdivision shall be construed as abrogating or modifying any rights now enjoyed by affected employees under the managerial or commissioner's plan under section 43A.18 or the terms of an agreement between an exclusive representative of public employees and the state or one of its appointing authorities.*

Sec. 2. Minnesota Statutes 1982, section 15.06, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] This section applies to the following departments or agencies: the departments of administration, agriculture, commerce, corrections, ~~economic development~~, economic security, education, *employee relations*, energy and economic development, finance, health, human rights, labor and industry, natural resources, ~~personnel~~, public safety, public welfare, revenue, transportation, and veterans affairs; ~~the banking, insurance and securities divisions and the consumer services section of the department of commerce; the energy, housing finance, state planning, and pollution control agencies; the office of commissioner of iron range resources and rehabilitation; the bureau of mediation services; and their successor departments and agencies.~~ The heads of the foregoing departments or agencies are referred to in this section as "commissioners."

Sec. 3. Minnesota Statutes 1982, section 15.06, subdivision 8, is amended to read:

Subd. 8. [NUMBER OF DEPUTY COMMISSIONERS.] Unless specifically authorized by statute, other than section 43A.08, subdivision 2, no department or agency specified in subdivision 1 shall have more than one deputy commissioner. ~~Notwithstanding any other law to the contrary, none of the departments or agencies shall have more than two deputy commissioners.~~

Sec. 4. Minnesota Statutes 1982, section 43A.08, subdivision 1a, is amended to read:

Subd. 1a. [ADDITIONAL UNCLASSIFIED POSITIONS.] Appointing authorities for the following agencies may designate additional unclassified positions ~~pursuant~~ *according* to this subdivision: the departments of administration; agriculture; ~~commerce~~; corrections; economic security; education; employee relations; energy; ~~planning~~ and economic development; finance; health; human rights; labor and industry; natural resources; public safety;

public service; public welfare; revenue; transportation; and veterans affairs; ~~the banking, securities and real estate, insurance and consumer services divisions of the department of commerce~~; the housing finance, *state planning*, and pollution control agencies; the state board of investment; and the offices of the secretary of state, state auditor, and state treasurer.

A position designated by an appointing authority ~~pursuant~~ *according* to this subdivision must meet the following standards and criteria:

(a) the designation of the position would not be contrary to ~~the provisions of~~ other law relating specifically to that agency;

(b) the person occupying the position would report directly to the agency head or deputy agency head and would be designated as part of the agency head's management team;

(c) the duties of the position would involve significant discretion and substantial involvement in the development, interpretation, and implementation of agency policy;

(d) the duties of the position would not require primarily personnel, accounting, or other technical expertise where continuity in the position would be important;

(e) there would be a need for the person occupying the position to be accountable to, loyal to, and compatible with the governor and the agency head, or the employing constitutional officer;

(f) the position would be at the level of division or bureau director or assistant to the agency head; and

(g) the commissioner has approved the designation as being consistent with the standards and criteria in this subdivision.

Sec. 5. [45.011] [DEFINITIONS.]

Subdivision 1. [SCOPE.] As used in chapters 45 to 83, unless the context indicates otherwise, the terms defined in this section have the meanings given them.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of commerce.

Subd. 3. [DEPARTMENT.] "Department" means the department of commerce.

Sec. 6. [45.012] [COMMISSIONER.]

The department of commerce is under the supervision and control of the commissioner of commerce. The commissioner is appointed by the governor in the manner provided by section 15.06.

Sec. 7. [45.013] [DEPUTY COMMISSIONERS; ASSISTANT COMMISSIONERS; ASSISTANT TO THE COMMISSIONER.]

The commissioner of commerce may appoint four deputy commissioners, four assistant commissioners, and an assistant to the commissioner. Those positions, as well as that of a confidential secretary, are unclassified. The commissioner may appoint other employees in the classified service necessary to carry out the duties and responsibilities entrusted to the commis-

sioner.

Sec. 8. [45.023] [RULES.]

The commissioner of commerce may adopt, amend, suspend, or repeal rules, including temporary rules, in accordance with chapter 14, and as otherwise provided by law, whenever necessary or proper in discharging the commissioner's official responsibilities.

Sec. 9. [45.024] [HEARINGS.]

Subdivision 1. [GENERAL.] In any case in which the commissioner of commerce is required by law to conduct a hearing, the hearing must be conducted in accordance with chapter 14 and other applicable laws.

Subd. 2. [DELEGATION OF INSURANCE REGULATORY AUTHORITY.] The commissioner of commerce shall delegate to one of the deputy commissioners the exercise of the commissioner's statutory powers and duties relating to insurance as set forth in chapters 60A to 79, except for budget, personnel, and general administration. The delegation of authority includes the authority to decide and issue orders in contested cases, rule-making proceedings, and other hearings held under chapter 14.

Subd. 3. [DELEGATION OF FINANCIAL INSTITUTIONS REGULATORY AUTHORITY.] The commissioner of commerce shall delegate to one of the deputy commissioners the exercise of the commissioner's statutory powers and duties relating to financial institutions as set forth in chapters 46 to 59A, except for budget, personnel, and general administration. The delegation of authority includes the authority to decide and issue orders in contested cases, rulemaking proceedings, and other hearings held under chapter 14.

Subd. 4. [DELEGATION OF SECURITIES REGULATORY AUTHORITY.] The commissioner of commerce shall delegate to one of the deputy commissioners the exercise of the commissioner's statutory powers and duties relating to securities as set forth in chapters 80A, 80B, and 80C, except for budget, personnel, and general administration. The delegation of authority includes the authority to decide and issue orders in contested cases, rulemaking proceedings, and other hearings held under chapter 14.

Subd. 5. [DELEGATION OF REAL ESTATE REGULATORY AUTHORITY.] The commissioner of commerce shall delegate to one of the deputy commissioners the exercise of the commissioner's statutory powers and duties relating to real estate as set forth in chapters 82 and 83, except for budget, personnel, and general administration. The delegation of authority includes the authority to decide and issue orders in contested cases, rule-making proceedings, and other hearings held under chapter 14.

Subd. 6. [REVIEW BY COMMISSIONER.] An order issued by a deputy commissioner under subdivisions 2 to 5 may be appealed to the commissioner

or reviewed by the commissioner at the commissioner's discretion within 15 days after receipt of the order. If no appeal is filed and no discretionary review is made, the deputy commissioner's order is the final order. Review of the appeal shall be on the record and shall be subject to the procedures prescribed by rule by the commissioner. Appeal of the commissioner's order, or the order of the deputy commissioner if no appeal is made to the

commissioner, shall be as provided under the provisions of chapter 14, unless otherwise provided by law.

Sec. 10. Minnesota Statutes 1982, section 45.04, is amended to read:

45.04 [BANK APPLICATIONS.]

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~~ commissioner of commerce, and shall file ~~the same~~ it in ~~its~~ the commissioner's 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 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 an investigation fee for investigating the application, which shall be turned over by him the commissioner to the state treasurer and credited by the treasurer to the general fund of the state.~~ Thereupon the ~~commission~~ commissioner 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~~ commissioner in some newspaper published in the municipality in which the proposed bank is to be located, and if there be 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~~ commissioner shall consider the application and hear the applicants and such witnesses as ~~may~~ that appear in favor of or against the granting of the application of the proposed bank.

Subd. 2. [APPROVAL, DISAPPROVAL.] If, upon the hearing, it shall ~~appear~~ appears to the ~~commission~~ commissioner that the application should be granted, ~~it he~~ shall, not later than 90 days after the hearing, and after the applicants have otherwise complied with the provisions of law applicable to the organization of a bank, including the provisions herein contained, make and file in ~~the his~~ his office of the commissioner of banks ~~its a written order, in writing, directing him to issue the issuance of a certificate of authorization as provided by law.~~ If the certificate of authorization is not activated within a period of 12 months from date of ~~directive to the commissioner of banks issuance, the department of commerce commissioner may upon written notice in writing to the applicants request a new hearing.~~ If the ~~commission~~ commissioner shall ~~decide~~ commissioner decides that the application should not be granted, ~~it he~~ shall deny the application and make ~~its a written order, in writing, to that effect, and file the same it in the his office of the commissioner of banks, and forthwith give notice thereof by certified mail to one of the incorporators named in the application for the proposed bank, addressed to the incorporator at the address stated in the application; and.~~ Thereupon the commissioner of banks shall refuse to issue the certificate of authorization, ~~which is prescribed by law, to the proposed bank.~~

Sec. 11. Minnesota Statutes 1982, section 45.05, is amended to read:

45.05 [NOTICE AND HEARING, WHEN NOT GIVEN.]

The ~~department~~ commissioner of commerce may, at ~~its~~ his discretion, dis-

pense with the notice and hearing provided for by section 45.04 ~~in cases where if~~ application is made for the incorporation of a new bank to take over the assets of one or more existing banks, or ~~where if~~ the application contemplates the reorganization of a national bank into a state bank in the same locality; ~~provided, this act shall not increase the number of banks in the community affected.~~

Sec. 12. Minnesota Statutes 1982, section 45.06, is amended to read:

45.06 [EXPENSES OF ORGANIZATION AND INCORPORATION OF BANKS LIMITED.]

The expenses of organization and incorporation to be paid by ~~any such banks shall~~ a bank may not exceed the statutory fees for filing applications as provided in section 45.04 and the necessary legal expenses incurred incident to drawing articles of incorporation, publication, and recording thereof, ~~and~~. The incorporators shall, prior to the issuance of the certificate of authorization ~~provided for by law~~, file with the commissioner of banks a verified statement showing the total amount of expense incurred in the organization of the bank and to be paid by it after commencing operation.

Sec. 13. Minnesota Statutes 1982, section 45.07, is amended to read:

45.07 [CHARTERS ISSUED, CONDITIONS.]

If the applicants are of good moral character and financial integrity, if there is a reasonable public demand for this bank in this location, if the organization expenses being paid by the subscribing shareholders do not exceed the necessary legal expenses incurred in drawing incorporation papers and the publication and the recording thereof, as required by law, if the probable volume of business in this location is sufficient to insure and maintain the solvency of the new bank and the solvency of the then existing bank or banks in the locality without endangering the safety of any bank in the locality as a place of deposit of public and private money, and if the ~~department~~ commissioner of commerce is satisfied that the proposed bank will be properly and safely managed, the application ~~shall~~ must be granted; otherwise it ~~shall~~ must be denied. In case of the denial of the application, the ~~department~~ commissioner of commerce shall specify the grounds for the denial and the supreme court, upon petition of ~~any~~ a person aggrieved, may review by certiorari ~~any such order or the determination of the department of commerce.~~

Sec. 14. Minnesota Statutes 1982, section 45.071, subdivision 2, is amended to read:

Subd. 2. [APPLICATION FOR INSURANCE; UNINSURED BANKS.] Notwithstanding the provisions of subdivision 1, a bank which does not have insurance of its deposits or a commitment for insurance of its deposits by the federal deposit insurance corporation, an agency of this state, or a federal agency established for the purpose of insuring deposits in banks or collateral security deposited under section 48.74 ~~upon the effective date of Laws 1982, chapter 473, sections 1 to 29 on March 19, 1982,~~ must apply for insurance of deposits not later than July 1, 1983. A bank subject to this subdivision which has been denied a commitment for insurance of its deposits shall either dissolve, merge, or consolidate with another bank which is insured or apply in writing within 30 days of denial to the commissioner of ~~banks com-~~

merce for additional time to obtain an insurance commitment. The commissioner of ~~banks~~ shall grant additional time to obtain the insurance commitment upon satisfactory evidence that the bank has made or is making a substantial effort to achieve the conditions precedent to issuance of the commitment. Additional time shall not extend later than July 1, 1984.

Sec. 15. Minnesota Statutes 1982, section 45.08, subdivision 3, is amended to read:

Subd. 3. [DEPARTMENT.] ~~The word "Department"~~ means the department of commerce of the state of Minnesota.

Sec. 16. Minnesota Statutes 1982, section 45.08, is amended by adding a subdivision to read:

Subd. 4. [COMMISSIONER.] "Commissioner" means the commissioner of commerce.

Sec. 17. Minnesota Statutes 1982, section 45.16, subdivision 1, is amended to read:

45.16 [CONSUMER SERVICES SECTION, RESPONSIBILITIES AND DUTIES AFFAIRS.]

Subdivision 1. [GENERALLY.] ~~The section of consumer services shall have attorney general has~~ the responsibilities and duties prescribed by this section and section 45.17 and such other authority as may be conferred by the commissioner of commerce.

Sec. 18. Minnesota Statutes 1982, section 45.16, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] *The attorney general shall:*

(a) Act as the representative of the governor in all matters affecting consumer affairs;

(b) Enforce the provisions of law relating to consumer fraud and unlawful practices in connection therewith as set forth in sections 325F.68 and 325F.69; ~~and the attorney general shall act for the division in pursuing the remedies set forth in section 325F.70;~~

(c) Make recommendations to the ~~chairman of the commerce commission for transmission to the~~ governor and the legislature for such statutory needs as ~~may that~~ exist in adequately protecting the consumer;

(d) Receive registration statements and annual reports of persons soliciting charitable funds in accordance with the requirements of sections 309.50 to 309.61, in lieu of the duties of the secretary of state in connection therewith. ~~The duties of the secretary of state under such sections are hereby abolished and the activity assigned to the department of commerce, division of licensing and consumer services as provided herein; Adopt, pursuant to the administrative procedures act, rules and regulations to implement the provisions of this section.~~

Sec. 19. Minnesota Statutes 1982, section 45.17, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the fol-

lowing terms defined in this subdivision shall apply have the meanings given them:

(1) "Public utility" means a publicly or privately owned entity engaged in supplying utility services to residential utility consumers in this state or to another public utility for ultimate distribution to residential utility consumers in this state and whose rates or charges are subject to approval by the public utilities commission or ~~any an~~ agency of the federal government ~~provided that~~. No municipal or cooperative utility shall be considered a "public utility" for the purposes of this clause.

(2) ~~"Consumer services section" means the consumer services section of the department of commerce.~~

(3) "Residential utility consumer" or "consumer" means a person who uses utility services at his residence in this state and who is billed by or pays a public utility for these services.

(4) (3) "Utility services" means electricity, natural gas, or telephone services distributed to residential utility consumers by a public utility.

Sec. 20. Minnesota Statutes 1982, section 45.17, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] ~~The consumer services section shall be attorney general~~ is responsible for representing and furthering the interests of residential utility consumers through participation in matters before the public utilities commission involving utility rates and adequacy of utility services to residential utility consumers. ~~The consumer services section attorney general~~ shall expend a reasonable portion of ~~its his~~ efforts among all three kinds of utility services and shall identify and promote the needs of each class of residential consumers with respect to each of the utility services.

Sec. 21. Minnesota Statutes 1982, section 45.17, subdivision 3, is amended to read:

Subd. 3. [RIGHT OF INTERVENTION.] Subject to the limitations of subdivision 2, ~~the consumer services section attorney general~~ may intervene as of right or participate as an interested party in matters pending before the public utilities commission which affect the distribution by a public utility of utility services to residential utility consumers. The right of ~~the consumer services section attorney general~~ to participate or intervene ~~shall in no way does not~~ affect the obligation of the public utilities commission to protect the public interest.

Sec. 22. Minnesota Statutes 1982, section 45.17, subdivision 4, is amended to read:

Subd. 4. [NOTICE; PROCEDURES.] The public utilities commission shall give reasonable notice to ~~the consumer services section attorney general~~ of any matter scheduled to come before the commission affecting a public utility's rates or adequacy of services to residential utility consumers. Rules of the commission governing procedures before the commission ~~shall apply to the consumer services section attorney general and its his~~ employees or representatives. ~~The consumer services section shall have~~ attorney general has the same rights and privileges accorded other intervenors or participants in matters pending before the commission.

Sec. 23. Minnesota Statutes 1982, section 45.17, subdivision 5, is amended to read:

Subd. 5. [APPEALS.] ~~The consumer services section attorney general~~ shall be deemed to have an interest sufficient to maintain, intervene as of right in, or otherwise participate in any civil action in the trial courts or supreme court of this state for the review or enforcement of any public utilities commission action which affects a public utility's rates or adequacy of service to residential utility consumers.

Sec. 24. Minnesota Statutes 1982, section 45.17, subdivision 7, is amended to read:

Subd. 7. [INTERVENTION IN FEDERAL PROCEEDINGS.] ~~The consumer services section attorney general~~ shall represent and further the interests of residential utility consumers through participation as an intervenor or interested party in federal proceedings relating to the regulation of: (a) wholesale rates for energy delivered through interstate facilities; or (b) fuel used in generation of electricity or the manufacture of gas. ~~The consumer services section attorney general~~ may maintain, intervene in, or otherwise participate in any civil actions relating to the federal proceedings. In performing its duties pursuant to this subdivision, the section shall follow the guidelines established pursuant to subdivision 6, clause (1).

Sec. 25. Minnesota Statutes 1982, section 45.17, is amended by adding a subdivision to read:

Subd. 8. [ADDITIONAL POWERS.] *The power granted by this section is in addition to powers otherwise provided by law to the attorney general.*

Sec. 26. Minnesota Statutes 1982, section 116J.01, subdivision 1, is amended to read:

Subdivision 1. [APPOINTMENT.] The department of energy, ~~planning~~ and ~~economic~~ development shall be supervised and controlled by the commissioner of energy, ~~planning~~ and ~~economic~~ development, who shall be appointed by the governor and serve under the provisions of section 15.06.

Sec. 27. Minnesota Statutes 1982, section 116J.01, subdivision 2, is amended to read:

Subd. 2. [UNCLASSIFIED POSITIONS CONFIDENTIAL SECRETARY.] The commissioner may appoint a ~~deputy commissioner and a personal confidential~~ secretary in the unclassified service.

Sec. 28. Minnesota Statutes 1982, section 116J.01, subdivision 3, is amended to read:

Subd. 3. [DEPARTMENTAL ORGANIZATION.] The commissioner shall organize the department as provided in section 15.06. *The department shall be organized into three divisions, which shall be designated the energy division, the economic development division, and the financial management division; the office of tourism; and the export information office. Each division and office is responsible for administering the duties and functions assigned to it by law. When the duties of the divisions or offices are not allocated by law, the commissioner may establish and revise the assignments of each division and office. Each division shall be under the direction of a*

deputy commissioner in the unclassified service. The office of tourism is under the direction of the director of tourism. The export information office is under the direction of the director of export information.

Sec. 29. Minnesota Statutes 1982, section 116J.03, is amended to read:

116J.03 [DEFINITIONS.]

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 chapter 116J~~, the terms defined in this section have the meaning given them.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of energy, ~~planning~~ and *economic* development.

Subd. 3. [DEPARTMENT.] "Department" means the department of energy, ~~planning~~ and *economic* development.

Sec. 30. Minnesota Statutes 1982, section 116J.09, is amended to read:

116J.09 [DUTIES.]

The commissioner shall:

(a) Manage the department as the central repository within the state government for the collection of data on energy;

(b) Prepare and adopt an emergency allocation plan specifying actions to be taken in the event of an impending serious shortage of energy, or a threat to public health, safety, or welfare;

(c) Undertake a continuing assessment of trends in the consumption of all forms of energy and analyze the social, economic, and environmental consequences of these trends;

(d) Carry out energy conservation measures as specified by the legislature and recommend to the governor and the legislature additional energy policies and conservation measures as required to meet the objectives of sections 116J.05 to 116J.30;

(e) Collect and analyze data relating to present and future demands and resources for all sources of energy, and specify energy needs for the state and various service areas as a basis for planning large energy facilities;

(f) Require certificate of need for construction of large energy facilities;

(g) Evaluate policies governing the establishment of rates and prices for energy as related to energy conservation, and other goals and policies of sections 116J.05 to 116J.30, and make recommendations for changes in energy pricing policies and rate schedules;

(h) Study the impact and relationship of the state energy policies to international, national, and regional energy policies;

(i) Design and implement a state program for the conservation of energy; this program shall include but not be limited to, general commercial, industrial, and residential, and transportation areas; such program shall also provide for the evaluation of energy systems as they relate to lighting, heating, refrigeration, air conditioning, building design and operation, and appliance manufacturing and operation;

(j) Inform and educate the public about the sources and uses of energy and the ways in which persons can conserve energy;

(k) Dispense funds made available for the purpose of research studies and projects of professional and civic orientation, which are related to either energy conservation, *resource recovery*, or the development of alternative energy technologies which conserve nonrenewable energy resources while creating minimum environmental impact;

(l) Charge other governmental departments and agencies involved in energy related activities with specific information gathering goals and require that those goals be met.

Sec. 31. Minnesota Statutes 1982, section 116J.10, is amended to read:

116J.10 [POWERS.]

The commissioner may:

(a) Adopt rules pursuant to chapter 14 as necessary to carry out the purposes of sections 116J.05 to 116J.30 and, when necessary for the purposes of section 116J.15, adopt temporary rules pursuant to sections 14.29 to 14.36;

(b) Make all contracts pursuant to sections 116J.05 to 116J.30 and do all things necessary to cooperate with the United States government, and to qualify for, accept and disburse any grant intended for the administration of sections 116J.05 to 116J.30. Notwithstanding any other law the commissioner is designated the state agent to apply for, receive and accept federal or other funds made available to the state for the purposes of sections 116J.05 to 116J.30.

(c) Contract for professional services if such work or services cannot be satisfactorily performed by employees of the department or by any other state agency;

(d) Enter into interstate compacts to jointly carry out such research and planning with other states or the federal government where appropriate;

(e) Distribute informational material at no cost to the public upon reasonable request;

(f) Provide on-site technical assistance to units of local government in order to enhance local capabilities for dealing with energy problems;

(g) Administer for the state, energy programs pursuant to federal law, regulations or guidelines, except for the crisis fuel assistance and low income weatherization programs administered by the department of economic security, and coordinate the programs and activities with other state agencies, units of local government and educational institutions;

(h) *Design and administer a statewide program for the energy and economic development authority and actively involve major organizations and community leaders in its work and shall solicit funds from all sources;*

(i) *Develop a state energy investment plan with yearly energy conservation and alternative energy development goals, investment targets, and marketing strategies;*

(j) *Perform market analysis studies relating to conservation, alternative*

and renewable energy resources, and energy recovery;

(k) Assist with the preparation of proposals for innovative conservation, renewable, alternative, or energy recovery projects; and

(l) Manage and disburse funds made available for the purpose of research studies or demonstration projects related to energy conservation or other activities deemed appropriate by the commissioner.

Sec. 32. Minnesota Statutes 1982, section 116J.31, is amended to read:

116J.31 [ENERGY AUDITS.]

The commissioner, ~~in cooperation with the director of consumer services,~~ shall develop the state plan for the program of energy audits of residential and commercial buildings required by 42 United States Code, ~~Section title 42, section 8211, et seq. The consumer services division and the attorney general are authorized to~~ may release information on consumer complaints about the operation of the program to the commissioner.

Sec. 33. 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 commissioner 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. 34. 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) 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. 35. 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. 36. 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 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 legislature 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. 37. 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. 38. Minnesota Statutes 1982, section 116J.60, is amended to read:

116J.60 [PROMOTIONAL EXPENSES.]

In the promotion of tourism and economic development of the state of Minnesota, the state commissioner of energy, ~~planning and economic development~~ may expend ~~from moneys~~ money appropriated by the legislature for ~~such these~~ purposes in the same manner as private persons, firms, corporations, and associations make expenditures for ~~such these~~ purposes. ~~For purposes of allotment, encumbrance and disbursement all transactions for promo-~~

~~tional purposes shall be coded under the commissioner of finance's object of expenditure code for advertising. The encumbrance shall be made on a miscellaneous encumbrance requisition. Any such expenditures~~ *An expenditure for food, lodging, or travel shall is not be governed by the travel regulations rules of the commissioner of administration employee relations. No money shall be expended for the appearance in radio or television broadcasts by an elected public official.*

Sec 39. Minnesota Statutes 1982, section 116J.61, is amended to read:

116J.61 [ADDITIONAL POWERS AND DUTIES.]

The commissioner shall:

(1) Have control of the work of carrying on a continuous program of education for businessmen;

(2) Publish, disseminate, and distribute information and statistics;

(3) Promote and encourage the expansion and development of markets for Minnesota products;

(4) Promote and encourage the location and development of new business in the state as well as the maintenance and expansion of existing business and for that purpose cooperate with state and local agencies and individuals, both within and outside the state;

(5) Advertise and disseminate information as to natural resources, desirable locations, and other advantages for the purpose of attracting business to locate in this state;

(6) Aid the various communities in this state in getting business to locate therein;

(7) Advise and cooperate with municipal, county, regional, and other planning agencies and planning groups within the state for the purpose of promoting coordination between the state and localities as to plans and development in order to maintain a high level of gainful employment in private profitable production and achieve commensurate advancement in social and cultural welfare; coordinate the activities of state-wide and local planning agencies, correlate information secured from them and from state departments and disseminate information and suggestions to the planning agencies; and encourage and assist in the organization and functioning of local planning agencies where none exist; and may provide at the request of any governmental subdivision hereinafter mentioned planning assistance, which includes but is not limited to surveys, land use studies, urban renewal plans, technical services and other planning work to any city or other municipality in the state or perform similar planning work in any county, metropolitan or regional area in the state. The commissioner shall not perform the planning work with respect to a metropolitan or regional area which is under the jurisdiction for planning purposes of a county, metropolitan, regional or joint planning body, except at the request or with the consent of the respective county, metropolitan, regional or joint planning body. The commissioner is authorized to receive and expend money from municipal, county, regional and other planning agencies; and may accept and disburse grants and other aids for planning purposes from the federal government and from other public or private sources, and may utilize moneys so re-

ceived for the employment of consultants and other temporary personnel to assist in the supervision or performance of planning work supported by money other than state appropriated money, and may enter into contracts with agencies of the federal government, units of local government or combinations thereof, and with private persons that are necessary in the performance of the planning assistance function of the commissioner. In furtherance of their planning functions, any city or town, however organized, may expend money and contract with agencies of the federal government, appropriate departments of state government, other local units of government and with private persons;

(8) Adopt measures calculated to promote public interest in and understanding of the problems of planning and, to that end, may publish and distribute copies of any plan or any report and may employ other means of publicity and education that will give full effect to the provisions of sections 116J.58 to 116J.63;

(9) ~~Plan and conduct programs of information and publicity designed to attract tourists, visitors, and other interested persons from outside the state to this state, and in that connection encourage and coordinate the efforts of other public and private organizations or groups of citizens to publicize the facilities and attractions of the state and work with representatives of the tourist and resort industry in carrying out its programs.~~

Sec. 40. [116J.615] [OFFICE OF TOURISM.]

Subdivision 1. [DUTIES OF DIRECTOR.] The director of tourism shall:

(1) publish, disseminate, and distribute informational and promotional literature;

(2) promote and encourage the expansion and development of international tourism marketing;

(3) advertise and disseminate information about travel opportunities in the state of Minnesota;

(4) aid various local communities to improve their tourism marketing programs;

(5) coordinate and implement a comprehensive state tourism marketing program that takes into consideration all public and private businesses and attractions;

(6) conduct market research and analysis to improve marketing techniques in the area of tourism;

(7) investigate and study conditions affecting Minnesota's tourism industry, collect and disseminate information, and engage in technical studies, scientific investigations, and statistical research and educational activities necessary or useful for the proper execution of the powers and duties of the director in promoting and developing Minnesota's tourism industry, both within and outside the state;

(8) apply for, accept, receive, and expend any funds for the promotion of tourism in Minnesota. All money received by the director under this subdivision shall be deposited in the state treasury and is appropriated to the director for the purposes for which the money has been received. The money does

not cancel and is available until expended; and

(9) plan and conduct information and publicity programs to attract tourists, visitors, and other interested persons from outside the state to this state; encourage and coordinate efforts of other public and private organizations or groups of citizens to publicize facilities and attractions in this state; and work with representatives of the hospitality and tourism industry to carry out its programs.

Subd. 2. [ART AND HISTORICAL EXHIBITIONS.] In order to promote tourism, trade, and cultural enrichment, the director of tourism may arrange for the exhibition of art collections and historical displays from other nations in the state capital and in other public buildings throughout the state of Minnesota. The director of tourism shall cooperate with the state historical society in implementing this cultural exchange program and may enter into any contracts or joint ventures that are necessary to achieve the objectives of this section.

Sec. 41. Minnesota Statutes 1982, section 116J.65, is amended by adding a subdivision to read:

Subd. 4a. "Authority" means the energy and economic development authority, formerly known as the small business finance agency.

Sec. 42. Minnesota Statutes 1982, section 116J.65, subdivision 5, is amended to read:

Subd. 5. The ~~commissioner~~ authority shall administer this section and shall enforce the rules related to the community development corporations promulgated by the ~~commissioner~~ authority. The ~~commissioner~~ authority may amend, suspend, repeal or otherwise modify these rules as provided for in chapter 14.

Sec. 43. Minnesota Statutes 1982, section 116J.67, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE; OBJECTIVES.] The ~~commissioner of energy, planning and development~~ energy and economic development authority may create, promote, and assist a state development company, also known as a "503" certified development company, ~~which that~~ will qualify as a certified development company for the purposes of 45 United States Code, title 15, section 697, and Code of Federal Regulations, title 13, section 108.503.

The ~~commissioner~~ authority shall utilize the development company program to stimulate the state's economic activity.

The development company and its directors and officers shall comply with the organizational, operational, regulatory, and reporting requirements as promulgated by the United States small business administration and the guidelines contained in the bylaws, articles of incorporation, and standard operating procedure prescribed by the small business administration.

Sec. 44. Minnesota Statutes 1982, section 116J.88, subdivision 2, is amended to read:

Subd. 2. [AUTHORITY.] "~~Agency~~" "Authority" means the ~~small business finance agency~~ energy and economic development authority created in section 116J.89.

Sec. 45. Minnesota Statutes 1982, section 116J.88, subdivision 4, is amended to read:

Subd. 4. [ELIGIBLE SMALL BUSINESS.] "*Eligible small business*" means an enterprise determined by the ~~agency authority~~ to constitute a small business concern as defined in regulations of the United States small business administration pursuant to ~~45 U. S. Code United States Code, title 15, sections 631 to 647, as in effect March 1, 1980, which is engaged in any industrial or commercial activity except:~~

- (a) ~~banking or other financial service;~~
- (b) ~~real estate brokerage, management, sale, ownership, or leasing;~~
- (c) ~~legal, medical, dental, accounting, engineering, or any other professional or consulting service;~~
- (d) ~~furnishing recreational or athletic facilities; and~~
- (e) ~~serving food or beverages to be consumed on or adjacent to the premises where they are sold amended from time to time.~~

Sec. 46. Minnesota Statutes 1982, section 116J.88, subdivision 5, is amended to read:

Subd. 5. [TARGETED SMALL BUSINESS.] "*Eligible Targeted small business*" for the purpose of section 116J.90, subdivision 5, means a business entity organized for profit, including but not limited to any individual, partnership, corporation, joint venture, association, or cooperative, which entity:

(a) has 20 or fewer full time employees or not more than the equivalent of \$1,000,000 in annual gross revenues in the preceding fiscal year; and

(b) is not at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in its field of operation. For the purpose of this subdivision, "dominant in its field of operation" means having more than 20 full time employees and more than \$1,000,000 in annual gross revenues.

~~"Farm business" means a business entity "Targeted small business" includes a farm business engaged in farming, agricultural production or processing, or storage of agricultural products; which otherwise qualifies as a small business.~~

Sec. 47. Minnesota Statutes 1982, section 116J.88, subdivision 6, is amended to read:

Subd. 6. [FINANCIAL INSTITUTION.] "*Financial institution*" means ~~any a bank or other financial corporation described in chapter 47; any insurance company licensed to do business under chapter 60A; and any securities broker-dealer licensed under chapter 80A; bank or trust company, trust company, mortgage company, mortgage banker, national banking association, savings bank, savings and loan association, building and loan association, insurance company, securities broker-dealer, financial organizations relating to commercial credit or venture capital or any other financial or lending institution, whether organized under federal law or the laws of any state of~~

the United States, and whether located within or without this state.

Sec. 48. Minnesota Statutes 1982, section 116J.88, subdivision 7, is amended to read:

Subd. 7. [BUSINESS LOAN.] "Business loan" means a loan, other than a pollution control loan, to the owner of ~~a~~ *an eligible* small business for the ~~interim or long term~~ financing of (a) capital expenditures, *on an interim or long-term basis*, for the acquisition or improvement of land, acquisition, construction, removal, or improvement of buildings, or acquisition and installation of fixtures and equipment useful for the conduct of the business; *or (b) short-term costs of conducting an eligible small business.*

Subd. 7a. [FARM LOAN.] "Farm loan" means a loan to a farm business for the acquisition, installation, improvement, construction or removal of buildings, or acquisition and installation of fixtures or equipment, useful for the conduct of a farm business.

Sec. 49. Minnesota Statutes 1982, section 116J.88, subdivision 8, is amended to read:

Subd. 8. [POLLUTION CONTROL LOAN.] "Pollution control loan" means a loan to ~~the owner of~~ *an eligible* small business for the acquisition, construction, or improvement of pollution control facilities *or operations*. Pollution control facilities *or operations* may include real and personal property likely to help prevent, reduce, abate, or control noise, air, or water pollution or contamination by removing, altering, disposing, or storing pollutants, contaminants, wastes, or heat, and real and personal property to be used for the collection, storage, treatment, utilization, processing, or final disposal of solid or liquid waste.

Sec. 50. Minnesota Statutes 1982, section 116J.88, is amended by adding a subdivision to read:

Subd. 9. [FUND.] "*Fund*" means the Minnesota economic development fund created by section 54.

Sec. 51. Minnesota Statutes 1982, section 116J.89, subdivision 1, is amended to read:

Subdivision 1. [CREATION ENERGY AND ECONOMIC DEVELOPMENT AUTHORITY; PURPOSES.] ~~A~~ *The* small business finance agency is *renamed the energy and economic development authority* ~~is hereby created and is constituted as an authority to~~ and may act on behalf of the state within the scope of the powers granted to it in sections ~~116J.63 and~~ 116J.88 to 116J.91 to implement ~~a loan program~~ *loan programs and to provide financial assistance under the economic development fund by which, the authority alone or in cooperation with cities, towns, counties, and private or public lenders, may provide adequate funds* ~~may be provided~~ *or incentives to financing such as guarantees or insurance* on sufficiently favorable terms to assist and encourage the establishment, maintenance, and growth of *eligible small business businesses and employment opportunities in Minnesota and to reduce to a manageable level the cost of the control of pollution and disposal of waste resulting from the operations of eligible small business businesses.*

Because of its ability to pool or combine loans to be funded from one or more issues of bonds, whether or not the interest on the bonds is exempt

from federal income taxes, the ~~agency~~ authority will be able to spread its financing costs among the eligible small businesses to which the ~~agency makes loans~~ authority provides financing, thereby reducing costs incurred by each eligible small business.

Sec. 52. Minnesota Statutes 1982, section 116J.89, is amended by adding a subdivision to read:

Subd. 1a. In addition, the authority may use the economic development fund to provide financial assistance to eligible small businesses as follows:

(a) to provide loan guarantees or insurance, in whole or in part, to eligible small businesses in connection with business loans or pollution control loans;

(b) to invest directly and indirectly in eligible small businesses or to participate with other financial resources in connection with business loans or pollution control loans;

(c) to provide direct loans to eligible small businesses in connection with business loans or pollution control loans;

(d) to participate in other investment programs as appropriate under the terms of sections 116J.65, 116J.67, 116J.88 to 116J.91, and chapters 472 and 474;

(e) to purchase loan packages made to eligible small businesses by financial institutions in the state in connection with business loans or pollution control loans;

(f) to enter into or to pay fees on insurance contracts, letters of credit, municipal bond insurance, surety bonds, or similar obligations and other agreements or contracts with financial institutions;

(g) to guarantee or insure bonds and notes issued by the authority, in whole or in part, including without limitation the payment of the cost of issuing authority bonds and notes and authority administrative costs and expenses;

(h) the authority may create separate accounts within the fund for use in accordance with the separate purposes listed in this section and may irrevocably pledge and allocate moneys on deposit in the fund to the accounts for the purposes. The authority may make contracts with note and bond holders, trustees for them, financial institutions, or other persons interested in the disposition of moneys in the fund or its accounts with respect to the conditions upon which money in the fund or its accounts is to be held, invested, applied, and disposed of and the use of the fund and its accounts and the termination of accounts. The authority may determine to leverage amounts in accounts to be used to guarantee or insure bonds and notes of the authority or loans to eligible small businesses and may covenant as to the rate of leveraging with holders of the authority's bonds and notes or any trustee for them, financial institutions, or other persons. Money in the fund and its accounts shall, consistent with contracts with holders of the authority's bonds and notes or any trustee for them, financial institutions, or other interested persons, be invested in accordance with section 116J.91, subdivision 15, and the investment income from them, absent contractual provisions to the contrary, shall be added to and retained in the fund (or its accounts if provided by the authority). The repayments to the authority of any direct loans

made by the authority from money in the fund or its accounts shall be paid by the authority into the fund or, as provided by the authority, into an account. The authority may collect fees, initially or from time to time, or both, with respect to any direct loan it extends or any insurance or guarantee it grants. The authority may enter into contracts and security instruments with eligible small businesses, with bond and note holders or any trustee for them, or financial institutions or other persons to provide for and secure the repayment to the authority of money provided by the authority from the fund or its accounts for direct loans or which have been paid by the authority from the fund or accounts pursuant to an authority guarantee or insurance.

The state covenants with all holders of the authority's bonds and notes, financial institutions, and other persons interested in the disposition of money in the fund or its accounts, which money the authority has irrevocably pledged and allocated for any authorized purpose described in this subdivision, that the state will not take any action to limit the effect of the pledge and allocation and will not take any action to limit the effect of contracts entered into as authorized in this subdivision with respect to the pledge and allocation and will not limit or alter the rights vested in the authority or the state to administer the application of money pursuant to the pledge and allocation and to perform its obligations under the contracts. The authority may include and recite this covenant of the state in any of its bonds or notes benefitting from the pledge and allocation or contracts or related documents or resolutions;

(i) to enter into contract with note and bond holders or other persons interested in the disposition of the fund; and

(j) for any legal purpose or program of the authority.

Sec. 53. Minnesota Statutes 1982, section 116J.89, is amended by adding a subdivision to read:

Subd. 1b. (a) The following eligible small businesses have preference among business applicants:

(1) businesses located in areas of the state that are experiencing the most severe unemployment rates in the state;

(2) eligible small businesses that are likely to expand and provide additional permanent employment;

(3) businesses located in border communities that experience a competitive disadvantage due to location;

(4) businesses that have been unable to obtain traditional financial assistance due to a disadvantageous location, minority ownership, or other factors rather than due to the business having been considered a poor financial risk;

(5) businesses that utilize state resources, thereby reducing state dependence on outside resources, and that produce products or services consistent with the long-term social and economic needs of the state; and

(6) businesses located in designated enterprise zones, as described in section 273.1312, subdivision 4.

(b) Direct equity or loan investments in particular businesses are not pro-

hibited, but the authority shall prefer indirect investment such as loan, bond, or note guarantees or insurance or the purchase of loan packages. Except in the issuance of authority bonds or notes, the authority may not invest the fund in a program that does not have financial participation from the private sector, as determined by the authority.

Sec. 54. Minnesota Statutes 1982, section 116J.89, is amended by adding a subdivision to read:

Subd. 1c. [ECONOMIC DEVELOPMENT FUND.] There is created the economic development fund to be administered by the authority. All money in the fund is appropriated to the authority to effectuate the authority's purposes.

Sec. 55. Minnesota Statutes 1982, section 116J.89, subdivision 2, is amended to read:

Subd. 2. [PUBLIC PURPOSES.] Sections ~~116J.63 and~~ 116J.88 to 116J.91 are enacted to promote the welfare and prosperity of the state by maintaining and increasing the career and job opportunities of its citizens; by reducing, controlling, and preventing environmental pollution and waste of resources; and by protecting and enhancing the tax base on which state and local governments depend for the financing of public services.

Sec. 56. Minnesota Statutes 1982, section 116J.89, subdivision 7, is amended to read:

Subd. 7. [TAXATION OF AGENCY AUTHORITY NOTES AND BONDS.] The state covenants with the purchasers and all subsequent holders and transferees of notes and bonds issued by the ~~agency~~ authority in consideration of the acceptance of and payment for the notes and bonds, that the notes and bonds of the agency issued pursuant to sections 116J.65, 116J.67, 116J.88 to 116J.91, ~~sections 71 to 76, and chapters 472 and 474,~~ and the income therefrom and all its fees, charges, gifts, grants, revenues, receipts, and other moneys received or to be received, pledges to pay or secure the payment of such notes or bonds shall at all times be free and exempt from all state, city, county or other taxation provided by the laws of the state, except for estate and gift taxes and taxes on transfers, and except for the Minnesota corporate franchise tax measured by income, so long as the interest on ~~federal~~ bonds is included in the income by which such tax is measured.

Sec. 57. Minnesota Statutes 1982, section 116J.89, subdivision 8, is amended to read:

Subd. 8. The members and governing body of the ~~agency~~ authority shall be the commissioner and ~~six~~ eight other members holding no other elective or appointive office of the state or any local government, appointed by the governor with advice and consent of the senate. The commissioner shall be vice chairman, and the governor shall designate the chairman from among the other members, to serve as chairman at the pleasure of the governor. The board shall elect a secretary from among its members. On the effective date of this act, the terms of the current members expire, provided that they will continue as members of the authority and may act on behalf of the authority until they are replaced and new members appointed in accordance with this subdivision. Section 15.0575, governs the terms, compensation, removal and fill-

ing of vacancies in the offices of members other than the commissioner. *Section 471.87 does not apply to a board member who acts in the member's official capacity for the authority.*

Sec. 58. Minnesota Statutes 1982, section 116J.89, subdivision 9, is amended to read:

Subd. 9. ~~The members shall be responsible for management and control of the agency powers of the authority are vested in the members.~~ A majority of the members, excluding vacant memberships, is a quorum. When a quorum is present at any meeting of which notice has been given to or waived by all absent members in the manner provided in bylaws adopted by the vote of a majority of all members, any action of the ~~agency authority~~ may be taken by the vote of a majority of the members present. Fewer than a quorum may hear reports and adjourn from time to time.

Sec. 59. Minnesota Statutes 1982, section 116J.89, subdivision 10, is amended to read:

Subd. 10. The commissioner shall designate an employee as executive director of the ~~agency authority~~ and ~~may~~ shall appoint permanent and temporary employees necessary for the administration of the ~~agency authority~~. ~~The governing body of the agency may enter into agreements under which the department will provide administrative support for the agency. The commissioner may enter into agreements under which staff from private corporations, agencies, or other organizations are loaned to the authority for the purpose of performing its duties.~~

Sec. 60. Minnesota Statutes 1982, section 116J.90, is amended to read:

116J.90 [LOANS.]

Subdivision 1. The ~~agency authority~~ may make or purchase or participate with financial institutions in making or purchasing business loans and, pollution control loans, and farm loans upon the conditions described in this section, and may enter into commitments therefor.

Subd. 2. The ~~agency authority~~ may make or purchase or participate with financial institutions in making or purchasing business loans not exceeding \$1,000,000 in principal amount; ~~to be serviced by such institutions; provided that:~~

(a) The agency's share shall not exceed 90 percent of the total principal amount, and shall be payable with interest at the same times but not necessarily at the same interest rate as the share of the financial institution; and both shares shall be equally and ratably secured by a valid mortgage on or security interest in real or personal property or by any other security satisfactory to the agency to secure payment of the loan provided; that the agency's share may equal 100 percent of the total principal amount of the business loan if the financial institution participating in the making or purchasing of the business loan by servicing the loan, purchases 100 percent of the total amount of the bonds issued by the agency in connection with the loan;

(b) The total principal amount shall not exceed 90 percent of the value of the property securing the loan, unless the amount in excess of 90 percent is:

(1) Loaned from available funds which are not proceeds received directly

from the sale of the agency's bonds or notes and are not restricted under the terms of any resolution or indenture securing bonds or notes; or

(2) Insured or guaranteed by a federal agency or by a private insurer qualified to write such insurance in the state, insuring a percentage of any claim for loss at least equal to that percentage of the value by which the loan exceeds 90 percent thereof;

(c) The value of the property securing the loan shall be certified by the participating financial institution, on the basis of such appraisals, bids, purchase orders, and engineers' certificates as the agency may require; provided that the value of items purchased and constructed from the proceeds of the loan shall not be deemed to exceed the contract price of purchase or construction;

(d) The agency shall not disburse funds under a commitment to participate in a loan for the construction or substantial improvement of property until the construction or improvement has been completed, unless a financial institution furnishes an irrevocable letter of credit or a qualified corporate surety furnishes payment and performance bonds, satisfactory to the agency and in an aggregate amount equal to the amount payable under the construction contract; and

(e) No other indebtedness may be secured by a mortgage on or security interest in property securing a business loan made or purchased pursuant to this subdivision without the prior express written authorization of the agency with respect to business loans made or purchased by the authority and not exceeding \$1,000,000 principal amount with respect to the authority's share thereof when the authority participates in making or purchasing business loans.

With respect to business loans that the authority makes or purchases or participates with, the authority may determine or provide for their servicing, the percentage of authority participation, if any, the times the loans or participations shall be payable and the amounts of payment, their amount and interest rates, their security, if any, and other terms, conditions, and provisions necessary or convenient in connection with them and may enter into all necessary contracts and security instruments in connection with them. The authority may provide for or require the insurance or guaranteeing of the loans or participations in whole or in part by the federal government or a department, agency, or instrumentality of it, by an appropriate account created with respect to the economic development fund, or by a private insurer. In connection with making or purchasing business loans or participations in them, the authority may enter into commitments to purchase or participate with financial institutions upon the terms, conditions, and provisions determined by it. Business loans or participations may be serviced by financial institutions or other persons designated by the authority.

Subd. 3. The agency authority may make business loans or farm loans not exceeding \$100,000 in principal amount, at interest rates and subject to terms determined by the authority, provided that each loan shall be made only from the proceeds of a bond or note sold and issued to a financial institution, payable exclusively in whole or part from the repayments of principal and interest on the loan, which shall be assigned to and serviced by the financial institution. The loans may also be guaranteed or insured by money on deposit in the economic development fund or any special account

of it, and may be secured by reserve funds and other collateral and available money as determined by the authority. The authority may enter into all necessary contracts and security instruments in connection with them.

Subd. 4. *The agency authority may make or purchase or participate in making or purchasing pollution control loans which are fully secured by the guarantee or insurance of any agency or instrumentality of the United States or by a private insurer qualified to write the insurance in the state, or by reserves provided by the agency or any combination of the foregoing in any amount, which may be secured in whole or part by the guarantee or insurance of the federal government or any federal department, agency, or instrumentality, by a private insurer, from guarantees or insurance provided by the economic development fund or any special account of it, by reserves, moneys, funds, or other collateral required by the authority or any combination of the foregoing. To the extent consistent with this subdivision, the authority may make or purchase or participate in the making or purchasing of pollution control loans in the manner provided in subdivision 2 or 3 with respect to business loans.*

Subd. 5. *The agency authority shall make every effort to assure that at least 50 percent of the principal amount of the loans made or purchased by the agency authority in each fiscal year consists of loans with a principal amount of \$100,000 or less to eligible targeted small businesses as defined in section 116J.88, subdivision 5, and the financial management division shall provide technical assistance needed by eligible targeted small business owners businesses to complete applications and meet other requirements for those loans. The agency authority shall report to the legislature annually on or before October February 1 as to its compliance with the requirements of this subdivision during the preceding fiscal year. The inability of the authority to comply with this subdivision does not affect the validity of bonds and notes heretofore or hereafter issued.*

Subd. 6. (a) *Each financial institution which that participates in a pollution control or business loan with the agency authority shall annually on or before March 1 submit a report for the prior calendar year to the agency authority on a form prescribed by the state auditor. The report shall include a listing of each new and outstanding loan in which the financial institution is a participant, the amount and terms of the loan, the purpose of the loan, and any other information as the state auditor may reasonably require.*

(b) *The agency authority shall annually on or before May 1 submit a report on a form prescribed by the state auditor for the prior calendar year to the state auditor on all loans which that it makes, purchases, or participates in. The report shall include a listing of each new and outstanding loan in which the financial institution is a participant, the amount and terms of the loan, the purpose of the loan, and any other information as the state auditor may reasonably require.*

(c) *The state auditor shall annually on or before July 1 submit a report for the prior calendar year to the governor and the legislature summarizing the report submitted pursuant to clause (b).*

(d) *The cost of preparing and submitting the reports required by this subdivision shall be borne by the party submitting it. Any financial institution which that fails to comply with the requirements of this subdivision shall be*

prohibited from participating in future loans until it complies.

Sec. 61. Minnesota Statutes 1982, section 116J.91, subdivision 1, is amended to read:

Subdivision 1. In implementing ~~its corporate~~ *the* purposes and the programs described in sections ~~116J.63 and~~ 116J.88 to 116J.91, the ~~agency~~ *authority* shall have the powers and duties set forth in this section.

Sec. 62. Minnesota Statutes 1982, section 116J.91, subdivision 4, is amended to read:

Subd. 4. It may adopt, amend and repeal rules not inconsistent with the provisions of sections ~~116J.63 and~~ 116J.88 to 116J.91 as necessary to effectuate its ~~corporate~~ purposes.

Sec. 63. Minnesota Statutes 1982, section 116J.91, subdivision 9, is amended to read:

Subd. 9. It may procure insurance against any loss in connection with its property in ~~such~~ *the* amounts, and from ~~such~~ *the* insurers, as may be necessary or desirable. *It may obtain municipal bond insurance, letters of credit, surety obligations, or equivalent security for its bonds and notes.*

Sec. 64. Minnesota Statutes 1982, section 116J.91, subdivision 10, is amended to read:

Subd. 10. It may consent, whenever it deems it necessary or desirable in the fulfillment of its corporate purpose, to the modification of the rate of interest, time of payment, or any installment of principal or interest, or ~~any other term, of any mortgage loan, mortgage loan commitment, construction loan, temporary loan,~~ a contract or agreement of any kind to which the ~~agency~~ *authority* is a party.

Sec. 65. Minnesota Statutes 1982, section 116J.91, subdivision 11, is amended to read:

Subd. 11. It may borrow money to carry out and effectuate its ~~corporate purpose~~ *purposes* and may issue its negotiable bonds or notes as evidence of any such borrowing in accordance with sections 462A.08 to 462A.13, 462A.16 and 462A.17, all with the force and effect stated and the incidental powers granted and duties imposed in those sections. *The bonds and notes may be issued pursuant to a trust indenture that is substantially identical to a resolution pursuant to which the authority issues bonds and notes as provided in sections 462A.08 to 462A.13, 462A.16, and 462A.17, except that the authority may pledge money and securities to a trustee for the security of the holders of bonds and notes. The authority may refund bonds and notes and may guarantee or insure its bonds and notes in whole or in part with money from the economic development fund or an account created by the authority for that purpose.* The aggregate principal amount of the ~~agency's~~ *authority's* bonds and notes outstanding at any one time, excluding the amount satisfied and discharged by payment or provision for payment in accordance with their terms, and deducting amounts held in debt service reserve funds therefor and amounts used to make loans guaranteed or insured by *the federal government or a department, an agency or instrumentality of the federal government or by a private insurer or guarantor authorized to do business in the state of Minnesota and acceptable to the authority,* shall not exceed \$30,000,000

unless authorized by another law.

Sec. 66. Minnesota Statutes 1982, section 116J.91, subdivision 12, is amended to read:

Subd. 12. It may issue and sell bonds, notes, and other obligations payable solely from particular moneys, assets, or revenues derived from its programs, *or any business loan, farm loan, or pollution control loan*, notwithstanding section 462A.08, subdivision 3. Obligations issued to participate in making or purchasing business loans pursuant to section 116J.90, subdivision 2, *or pollution control loans* shall be payable solely from revenues derived by the *agency authority* from repayments of ~~such~~ *these* loans and from enforcement of the security therefor, or from a debt service reserve fund or funds, or from a general reserve fund or from a segregated portion thereof, *or from other funds or security specifically pledged by the authority*, irrevocably pledged and appropriated to pay principal and interest due, for which other funds are not available. A general reserve fund is ~~hereby~~ created and is eligible to receive direct appropriations from the state treasury *or a transfer from the economic development fund as the authority may provide by resolution*. The *agency authority* may irrevocably pledge and appropriate all or a segregated portion of the general reserve fund to pay principal and interest due on all or one or more series of its obligations for which other funds are not available, pursuant to the terms and conditions that the *agency authority* shall determine. Until so pledged and appropriated by the *agency authority* the general reserve fund shall not be available to pay principal and interest on the *agency's authority's* obligations. ~~No obligations shall be issued to participate in making or purchasing business loans pursuant to section 116J.90, subdivision 2, unless the obligations are secured at the time of issuance by a debt service reserve fund, a portion of the general reserve fund segregated to secure one or more series of bonds, or the portion of the general reserve fund not segregated to secure one or more series of bonds, and unless the amount then held or then deposited in the fund or segregated portion is at least equal to ten percent of the aggregate principal amount of all obligations secured by the fund or segregated portion thereof~~ *The authority may at its option provide by resolution that obligations issued to participate in making or purchasing business loans or pollution control loans be secured at the time of issuance in whole or in part by a debt service reserve fund or funds, a portion of the general reserve fund segregated to secure one or more series of bonds, or the portion of the general reserve fund not segregated to secure one or more series of bonds. The operation of the debt service reserve fund or funds or a segregated portion of the general reserve fund and other relevant terms or provisions shall be determined by resolution or indenture of the authority. Obligations issued to make or purchase business loans, farm loans, or pollution control loans may be issued pursuant to an indenture of trust or a resolution of the authority. It may pledge to holders of obligations, or to a trustee, repayments from the loans, any security or collateral for them, contract rights with respect to them, and any other funds or security specifically pledged by the authority for them.*

Sec. 67. Minnesota Statutes 1982, section 116J.91, subdivision 14, is amended to read:

Subd. 14. It may establish and collect reasonable interest and amortization payments on loans, and in connection therewith may establish and collect or

authorize the collection of reasonable fees and charges or require funds to be placed in escrow, sufficient to provide for the payment and security of its bonds, notes, commitments and other obligations and for the servicing thereof, to provide reasonable allowances for or insurance against losses which may be incurred and to cover the cost of issuance of obligations and technical, consultative, and project assistance services. ~~It shall require the payment of all processing, administrative and guarantee fees and the deposit in escrow of all funds required by the small business administration or other federal agency or instrumentality guaranteeing any loan and shall comply and enforce compliance with all terms and conditions of each guarantee, and the prompt filing of all claims which may arise thereunder.~~

Sec. 68. Minnesota Statutes 1982, section 116J.91, subdivision 16, is amended to read:

Subd. 16. It may provide general consultative and technical services to assist in financing small business facilities for which loans may be made ~~pursuant to section 116J.90~~. It may enter into agreements or other transactions concerning the receipt or provision of those services.

Sec. 69. Minnesota Statutes 1982, section 116J.91, subdivision 19, is amended to read:

Subd. 19. ~~All~~ Proceeds of the ~~agency's~~ authority's bonds, notes, and other obligations, ~~any~~; amounts granted or appropriated to the agency for the making or purchase or the insurance or guaranty of loans or for bond reserves; ~~all~~; income from ~~their~~ investment; *money in the economic development fund*; and all revenues from loans, fees, and charges of the ~~agency~~ *division* are annually appropriated to the agency for the accomplishment of its corporate purposes and shall be expended, administered, and accounted for in accordance with the applicable provisions of all bond and note resolutions, indentures, and other instruments, contracts, and agreements of the agency. Notwithstanding section 16A.28, these appropriations are available until expended.

Sec. 70. Minnesota Statutes 1982, section 116J.91, is amended by adding a subdivision to read:

Subd. 20. The authority may do all things necessary and proper to fulfill its purpose and the purposes of the economic development fund as provided in sections 116J.65, 116J.67, 116J.88 to 116J.91, sections 71 to 76, and chapters 472 and 474.

Sec. 71. [116J.921] [ENERGY FINANCING POLICIES.]

Subdivision 1. [FINDINGS.] A reliable, economic supply of energy is essential for the state's households, business establishments, and municipalities. Imported supplies are increasingly costly, unreliable, and environmentally disadvantageous. As a result, a partnership of the private and public sectors is needed to provide leadership, cooperation, and aid for the purposes of planning, developing, and managing economically viable energy conservation programs.

Subd. 2. [FUNDING POLICY.] Adequate funds and assistance must be provided to assist and to encourage the establishment, maintenance, and growth of energy conservation and indigenous energy resources in the state

and to reduce to a manageable level the cost of energy to households, business establishments, and municipalities, including, without limitation, the provision of loans to assist households and municipalities in the design, distribution, promotion, maintenance, installation, or acquisition of energy conservation and alternative energy resource materials and devices.

Subd. 3. [PARTNERSHIP POLICY.] A partnership of the private and public sectors will promote the purpose of reducing energy costs, increasing energy efficiency, and developing Minnesota's indigenous energy resources. By providing an arrangement to pool money, personnel, information, material, and technologies and to share costs, the partnership between the public and private sectors will promote the policies declared in this section more effectively than would be the case if these sectors acted independently.

Subd. 4. [HEALTH AND WELFARE PROMOTED.] The policies declared and actions authorized in sections 71 to 76 will promote the welfare and prosperity of the state by maintaining and increasing the career and job opportunities of the citizens of the state, by reducing waste of resources, and by protecting and enhancing the tax base on which state and local governments depend for the financing of public services.

Sec. 72. [116J.922] [DEFINITIONS.]

Subdivision 1. [GENERAL.] For purposes of sections 71 to 76, the terms defined in this section have the meanings given them, unless the context in which they are used clearly indicates otherwise or another meaning is specifically provided.

Subd. 2. [AUTHORITY.] "Authority" means the energy and economic development authority, formerly known as the small business finance agency.

Subd. 3. [PERSON.] "Person" includes an individual, firm, partnership, corporation, or association.

Subd. 4. [CONSERVATION.] "Conservation" means a capital investment designed to reduce the use of energy so that the estimated resulting fuel savings, assuming no increase in fuel cost rates, would amortize the cost of the investment over a period of ten years or less.

Subd. 5. [MUNICIPALITY.] "Municipality" means a city, town, county, school district, special taxing district, or a municipal power agency governed by chapter 453, or a group or combination of those units operating under an agreement to jointly undertake projects authorized by sections 71 to 76.

Subd. 6. [ALTERNATIVE ENERGY RESOURCE.] "Alternative energy resource" means a source of energy available from indigenous Minnesota resources including but not limited to peat, biomass, solar energy, wind, municipal wastes, agricultural or forestry wastes, hydro-power, and agricultural crops suitable for conversion to an energy fuel.

Subd. 7. [RENEWABLE ENERGY RESOURCE.] "Renewable energy resource" means a source of energy occurring in Minnesota which, when consumed for energy purposes, is replaced within a matter of days, months, or years by new or additional supplies of the energy source. Renewable

energy resources include, but are not limited to, forestry products and forest harvest residues, solar energy, wind energy, water-power, and agricultural wastes.

Subd. 8. [ENERGY RECOVERY.] "Energy recovery" means the extraction of energy from materials, components, or processes which would normally represent wasted energy resources. Municipal solid wastes, volatile sewer gases, and power plant waste heat, among others, offer the potential for energy recovery.

Sec. 73. [116J.923] [POWERS AND DUTIES OF COMMISSIONER AND AUTHORITY RELATING TO ENERGY PROGRAMS.]

Subdivision 1. [SERVICES.] The authority shall identify general consultative and technical services to assist in financing and marketing household and municipal energy conservation or alternative energy development. It may enter into agreements or other transactions concerning the receipt or provisions of those services.

Subd. 2. [DATA PRIVACY.] Financial information, including but not limited to credit reports, financial statements and net worth calculations, received or prepared by the authority regarding any loan or loan guarantee issued by the authority is private data on individuals, pursuant to section 13.02, subdivision 12.

Subd. 3. [BROAD INTERPRETATION.] The authority through the commissioner shall perform, direct, or closely oversee the functions and programs delegated to it. The powers granted to the authority shall be broadly interpreted to facilitate innovative leadership in all areas of energy including policy setting, goal definition, strategy planning, conservation, development of renewable and alternative energy resources, energy recovery, and monitoring.

Subd. 4. [CAMPAIGN FOR ENERGY EFFICIENCY.] The authority shall promote a campaign for energy efficiency. The authority shall actively promote public awareness of the potentials and benefits of energy efficiency.

Subd. 5. [JOB CREATION, LOW INCOME.] The authority shall assure that programs under its control and direction make accommodation wherever possible for job creation and the needs of low income families and persons.

Subd. 6. [FINANCING PROGRAMS.] The authority shall initiate and operate programs to assist the financing of qualified energy projects by:

(a) Insuring private loans to business enterprises; and

(b) Issuing its revenue bonds, notes, or other obligations for the purpose of making or purchasing or participating with financial institutions in making or purchasing loans to business enterprises.

Subd. 7. [LOANS TO MUNICIPALITIES.] The authority shall receive applications from municipalities for loans to finance improvements to public buildings for the purpose of energy conservation, reduction of the use of conventional energy sources, or the use of alternative energy resources, and make recommendations thereon to the commissioner of finance, in the event of the authorization and issuance of bonds of the state for this purpose. Fi-

nancial and technical support for this program shall be provided by the commissioner. This program shall include the district heating loan program established in section 116J.36.

Subd. 8. [RULES.] The authority may adopt temporary or permanent rules necessary to operate the programs authorized in subdivisions 6 and 7. The rules authorized under this section may be adopted without complying with chapter 14.

Subd. 9. [PLANNING AND REPORTS.] (a) The authority shall adopt a plan to use as the basis for its investment decisions.

(b) By the start of the 1984 legislative session, (1) the authority shall have identified various nongovernmental funding sources; (2) provided for the efficient administration of its affairs; (3) solicited public comment on its plans; and (4) prepared recommendations as to appropriate reserve and guarantee fund levels required by sections 71 to 76.

(c) The authority shall annually report not later than February 1 to the legislature. The report should contain recommendations for legislation as necessary to better coordinate its activities and the energy activities of state government.

Subd. 10. [CONSERVATION EQUIPMENT.] The authority may assist in the financing of the development and operation of conservation or alternative or renewable energy system equipment if the federal government or another funding source provides assistance in connection with the development and operation.

Subd. 11. [APPROPRIATIONS, GIFTS, GRANTS.] The authority may accept appropriations, gifts, grants, bequests, and devises and utilize or dispose of the same to carry out any provision of sections 71 to 76. All gifts, grants, bequests, and revenues from those sources are appropriated to the authority for the purposes of sections 71 to 76. The funding may include, but is not limited to, public utility investments and expenditures ordered by the public utilities commission pursuant to the provisions of section 216B.241.

Sec. 74. [116J.924] [ENERGY LOAN INSURANCE PROGRAM.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given:

(a) "Fund" means the energy loan insurance fund created by subdivision 2.

(b) "Lender" means any state or federally chartered bank, credit union, savings bank, savings and loan association, savings association, trust company or a lender certified by the secretary of housing and urban development or the administrator of veterans affairs or approved or certified by the administrator of the farmers home administration.

(c) "Energy loan" means a loan or advance of credit, with security as may be required by the authority.

(d) "Mortgage" means a mortgage on real property on which a qualified energy project is to be installed, which may be a second mortgage, including a security interest under sections 336.9-101 to 336.9-508, in personal property or fixtures included in the project, which the authority may require by

rule.

(e) "Qualified energy project" means acquiring, installing or constructing any conservation, renewable energy, alternative energy or other capital improvements for use in a trade or business and other projects described by rule of the authority.

Subd. 2. [ENERGY LOAN INSURANCE FUND.] An energy loan insurance fund is created. The fund shall be used by the authority as a revolving fund, and all money in the fund is appropriated to the authority, for carrying out the provisions of this section with respect to loans insured under subdivision 3.

Subd. 3. [INSURANCE OF LOANS.] (a) [AUTHORIZATION.] The authority is authorized, upon application by a lender, to insure any eligible loan as provided in this section; and under terms as the authority may prescribe by rule, to make commitments for the insuring of loans prior to the date of their execution or disbursement.

(b) [ELIGIBILITY REQUIREMENTS.] The authority may by rule establish requirements for energy loans to be eligible for insurance under this section, relating to:

(1) Maximum principal amount, amortization schedule, interest rate, delinquency charges, and other terms;

(2) The portion of the loan to be insured;

(3) Acceleration and other remedies;

(4) Covenants regarding insurance, repairs, and maintenance of the project;

(5) Conditions regarding subordination of the loan security, if any, of the project to other liens against the property;

(6) The aggregate principal amount of loans to be insured in relation to the reserves from time to time on hand in the insurance fund, and priorities as to the loans to be insured; and

(7) Any other matters determined by the authority.

(c) [CONCLUSIVE EVIDENCE OF INSURABILITY.] Any contract of insurance executed by the authority under this section shall be conclusive evidence of the eligibility of the loan for insurance, and the validity of any contract of insurance properly executed and in the hands of any approved lender shall not be contestable, except for fraud or misrepresentation on the part of the lender.

(d) [PREMIUMS.] The authority is authorized to fix premium charges for the insurance of loans under this section at levels which in its judgment, taking into account other amounts available in the fund, will be sufficient to cover and maintain a reserve for loan losses.

(e) [PROCEDURES UPON DEFAULT.] The authority may establish procedures to be followed by lenders and to be taken by the authority in the event of default upon an energy loan, including:

(1) time for filing claims;

(2) rights and interests to be assigned and documents to be furnished by the lender;

(3) principal and interest to be included in the claim; and

(4) conditions, if any, upon which the authority will pay the entire principal amount in default, after foreclosure and receipt of marketable title to the property.

Subd. 4. [INVESTMENT INTEREST.] All interest and profits accruing from investment of the fund's money shall be credited to and be a part of the fund, and any loss incurred in the principal of the investments of the fund shall be borne by the fund.

Subd. 5. [MAXIMUM AUTHORIZED INSURANCE.] The authority may not at any time issue insurance under this section aggregating in excess of an amount equal to the current balance contained in the fund multiplied by ten.

Sec. 75. [116J.925] [ENERGY LOAN PROGRAM.]

Subdivision 1. [AUTHORITY TO MAKE LOANS.] The authority may make loans to individuals, partnerships, corporations, or other entities for the financing of capital improvements to be used in connection with a trade or business if the principal purpose of improvement is energy conservation, to reduce the usage of conventional fuels as a source of energy, or to develop Minnesota's alternative energy resources as provided by the authority's rules.

Subd. 2. [REVENUE BONDS.] The authority may borrow money and may issue bonds, notes, or other obligations as evidence of the borrowing in accordance with sections 462A.08 to 462A.17, all with the force and effect stated and the incidental powers granted and duties imposed in those sections. The authority may sell any of its obligations at public or private sale, at the price or prices as the authority determines are appropriate, notwithstanding the limitations on sale price in section 462A.09.

Subd. 3. [ENERGY DEVELOPMENT FUND.] An energy development fund is created and is eligible to receive appropriations. The authority may irrevocably pledge and appropriate all or a segregated portion of the energy development fund to make principal and interest payments when due on all or one or more series of its obligations for which other funds are not available, pursuant to the terms and conditions the authority shall prescribe. Unless the energy development fund has been pledged and appropriated to secure the obligations, the energy development fund shall not be available to make principal or interest payments on the obligations.

Subd. 4. [INVESTMENT INCOME.] All interest and profits accruing from investment of the energy development fund's moneys shall be credited to and be part of the energy development fund, and any loss incurred in the principal of the investment of the reserve fund shall be borne by the fund.

Subd. 5. [ADDITIONAL POWERS.] In addition to the powers specifically enumerated, the authority shall have any corporate powers necessary to effectuate or appropriate to the efficient implementation and operation of the revenue bond loan program authorized by this section, except to the extent explicitly limited by this section.

Sec. 76. [116J.926] [LOANS TO MUNICIPALITIES.]

Subdivision 1. [APPLICATIONS.] The authority shall establish procedures, form, and the required contents of applications to be made by municipalities for loans to finance the acquisition or construction of qualified energy improvements when state bonds are authorized and issued for this purpose.

Subd. 2. [MUNICIPAL OBLIGATION.] A loan shall not be made to a municipality until it has entered into an agreement with the state providing that the municipality shall make payments of principal and interest at least equal in the aggregate to the principal amount of the loan plus interest at the rate payable on the state bonds. The annual amounts of the payments shall be determined by the commissioner of finance, and need not coincide with the principal and interest payments on the bonds. However, the amounts due each year shall be payable prior to the times transfers are required to be made pursuant to section 16A.65. The agreement shall obligate the municipality to levy an ad valorem property tax equal to the amounts necessary to make the payments. The amount required to be levied may be reduced by any other available amounts contained in a special fund dedicated to payment of the loan obligation.

Subd. 3. [RECEIPTS.] The principal and interest in repayment of the loans authorized by this section shall be deposited in the state treasury and credited to the state bond fund and are appropriated to the commissioner of finance for the purpose of that fund.

Sec. 77. [116J.931] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of section 78, the following terms have the meanings given them.

Subd. 2. [FINANCE AUTHORITY.] "Finance authority" means the export finance authority.

Subd. 3. [PRE-EXPORT.] "Pre-export" means that period of time between the formation of a sale and the actual shipment of the goods.

Sec. 78. [116J.932] [EXPORT FINANCE AUTHORITY.]

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

Subd. 2. [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 knowledgeable in international finance, exporting, or international law. The president of the finance authority shall also serve on the board. Membership, terms, compensation 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. 3. [POWERS.] The 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. 4. [WORKING CAPITAL ACCOUNT.] *An export finance authority working capital account is created as a special account in the state treasury. Money in the account is appropriated to the finance authority for the purposes of this section.*

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 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 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 finance authority 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.*

Subd. 8. [STAFFING.] *The commissioner shall provide staff to work for the finance authority.*

Sec. 79. [116J.933] [EXPORT INFORMATION OFFICE.]

Subdivision 1. [DIRECTOR.] The commissioner shall appoint a director of the export information office in the unclassified service.

Subd. 2. [PURPOSE; DUTIES.] The export information office 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 collected market information that relates to potential exporting, and to export trading companies, export management companies, and other interested persons;

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

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

(7) coordinate the current international trading activities of various state and local agencies and organizations.

Sec. 80. [116K.02] [STATE PLANNING AGENCY.]

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

Subd. 2. [DIRECTOR.] The governor shall appoint a state planning director in the unclassified service. He shall be professionally competent in the fields of public administration and planning and shall possess demonstrated ability, based upon 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 the 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 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 needed to perform the duties prescribed in sections 80 and 81.

Sec. 81. [116K.03] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 81 and 82, the terms defined in this section have the meanings given them.

Subd. 2. [DIRECTOR.] "Director" means the state planning director.

Subd. 3. [AGENCY.] "Agency" means the state planning agency.

Sec. 82. Minnesota Statutes 1982, section 144A.53, subdivision 4, is amended to read:

Subd. 4. [REFERRAL OF COMPLAINTS.] If a complaint received by the director relates to a matter more properly within the jurisdiction of an occupational licensing board, ~~the office of consumer services or any other governmental agency~~, the director shall forward the complaint to that agency and shall inform the complaining party of the forwarding. The agency shall promptly act in respect to the complaint, and shall inform the complaining party and the director of its disposition. If a governmental agency receives a complaint which is more properly within the jurisdiction of the director, it shall promptly forward the complaint to the director, and shall inform the complaining party of the forwarding. If the director has reason to believe that ~~any~~ an official or employee of an administrative agency or health facility has acted in a manner warranting criminal or disciplinary proceedings, he shall refer the matter to the state commissioner of health, the commissioner of public welfare, an appropriate prosecuting authority, or ~~any other~~ appropriate agency.

Sec. 83. Minnesota Statutes 1982, section 155A.03, is amended by adding a subdivision to read:

Subd. 13. [COMMISSIONER.] "Commissioner" means the commissioner of commerce.

Sec. 84. Minnesota Statutes 1982, section 155A.05, is amended to read:

155A.05 [RULES.]

The ~~director~~ commissioner shall develop and adopt rules to carry out the ~~provisions of sections 155A.01 to 155A.18 by December 31, 1982, pursuant according to chapter 14.~~ For purposes of sections 155A.01 to 155A.18, the ~~director~~ commissioner may adopt temporary rules, ~~pursuant according to sections 14.29 to 14.36. These rules may be reissued as temporary rules until permanent rules are adopted or until December 31, 1982, whichever is earlier.~~ These temporary rules may provide that for ~~any~~ a renewal license issued by the ~~director~~ commissioner within one year after July 1, 1981, the term of renewal shall be either one, two, or three years. The fee for a one-year renewal license shall be one-third of the fee for a three-year renewal license, and the fee for a two-year renewal shall be two-thirds of the three-year fee.

Sec. 85. Minnesota Statutes 1982, section 155A.18, is amended to read:

155A.18 [PRIOR LICENSES.]

All licenses which were issued by the ~~board of cosmetology~~ director of the ~~office of consumer services~~ under chapter ~~155~~ 155A, shall continue in effect under the ~~office of consumer services~~ commissioner until the licenses expire.

Sec. 86. Minnesota Statutes 1982, section 214.14, subdivision 1, is amended to read:

Subdivision 1. There is established a human services occupations advisory council to assist the commissioner of health in formulating policies and rules ~~pursuant according to section 214.13.~~ The commissioner shall determine the duties of the council, shall establish procedures for the proper

functioning of the council including, but not limited to the following: the method of selection of membership, the selection of a committee chairman and methods of communicating recommendations and advice to the commissioner for his consideration. Each of the health related licensing boards, the state examining committee for physical therapists, ~~the consumer services section of the department of commerce,~~ the state comprehensive health planning advisory council and the higher education coordinating board shall have a representative selected by the boards ~~or section, committee, or council.~~ The governor shall appoint the remaining members who shall not exceed 11 and shall include six persons broadly representative of human services, particularly human services professions not presently credentialed ~~pursuant according to existing law,~~ and five public members. The committee shall expire and the terms of the appointed members and the compensation and removal of all members shall be as provided in section 15.059.

Sec. 87. [216A.096] [ENERGY INTERVENTION.]

The department of public service may intervene before federal and other energy regulatory agencies outside of the state. The director may appoint an employee in the unclassified service to assist in carrying out intervention activities.

Sec. 88. Minnesota Statutes 1982, section 216B.62, subdivision 2, is amended to read:

Subd. 2. Whenever the commission or department, in a proceeding upon its own motion, on complaint, or upon an application to it, shall deem it necessary, in order to carry out the duties imposed by ~~Laws 1974, Chapter 429 under this chapter and section 87,~~ to investigate the books, accounts, practices, and activities of, or make appraisals of the property of any public utility, or to render any engineering or accounting services to any public utility, ~~or to intervene before an energy regulatory agency,~~ the public utility shall pay the expenses reasonably attributable to the investigation, appraisal, ~~or service, or intervention.~~ The commission and department shall ascertain the expenses, and the department shall render a bill therefor to the public utility, either at the conclusion of the investigation, appraisal, or services, or from time to time during its progress, which bill shall constitute notice of the assessment and a demand for payment. The amount of the bills so rendered by the department shall be paid by the public utility into the state treasury within 30 days from the date of rendition. The total amount, in any one calendar year, for which any public utility shall become liable, by reason of costs incurred by the commission within that calendar year, shall not exceed two-fifths of one percent of the gross operating revenue from retail sales of gas, or electric service by the public utility within the state in the last preceding calendar year. Where, pursuant to this subdivision, costs are incurred within any calendar year which are in excess of two-fifths of one percent of the gross operating revenues, the excess costs shall not be chargeable as part of the remainder under subdivision 3, but shall be paid out of the general appropriation to the department and commission. In the case of public utilities offering more than one public utility service only the gross operating revenues from the public utility service in connection with which the investigation is being conducted shall be considered when determining this limitation.

Sec. 89. Minnesota Statutes 1982, section 216B.62, subdivision 3, is

amended to read:

Subd. 3. The department and commission shall quarterly, at least 30 days before the start of each quarter, estimate the total of their expenditures in the performance of their duties relating to public utilities under *section 87, and sections 216B.01 to 216B.67*, other than amounts chargeable to public utilities under subdivision 2 or 6. The remainder shall be assessed by the commission and department to the several public utilities in proportion to their respective gross operating revenues from retail sales of gas or electric service within the state during the last calendar year. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed to the several public utilities, which shall constitute notice of the assessment and demand of payment thereof. The total amount which may be assessed to the public utilities, under authority of this subdivision, shall not exceed one-eighth of one percent of the total gross operating revenues of the public utilities during the calendar year from retail sales of gas or electric service within the state. The assessment for the second quarter of each fiscal year shall be adjusted to compensate for the amount by which actual expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed.

Sec. 90. Minnesota Statutes 1982, section 299A.04, is amended to read:

299A.04 [GRANTS-IN-AID TO YOUTH INTERVENTION PROGRAMS.]

Subdivision 1. The ~~commissioner~~ *director* may make grants to nonprofit agencies administering youth intervention programs in communities where the programs are or may be established.

"Youth intervention program" means a nonresidential community based program providing advocacy, education, counseling, and referral services to youth and their families experiencing personal, familial, school, legal, or chemical problems with the goal of resolving the present problems and preventing the occurrence of the problems in the future.

Subd. 2. Applications for a grant-in-aid shall be made by the administering agency to the ~~commissioner~~ *director*. The grant-in-aid is contingent upon the agency having obtained from the community in which the youth intervention program is established local matching money two times the amount of the grant that is sought.

The ~~commissioner~~ *director* shall provide by rule the application form, procedures for making application form, criteria for review of the application, and kinds of contributions in addition to cash that qualify as local matching money. No grant to any agency shall exceed \$25,000.

Sec. 91. Minnesota Statutes 1982, section 325E.09, subdivision 4a, is amended to read:

Subd. 4a. For the purposes of this section, octane rating shall be determined in the manner described in the American Society for Testing and Materials (ASTM) "Standard Specification for Gasoline", D439-71 or such other manner as prescribed by the director of ~~consumer services by regulations~~ *the department of public service in accordance with applicable rules*, adopted ~~pursuant~~ *according* to the Administrative ~~procedures~~ *Procedure*

Act. ~~Such regulations shall~~ *The rules must only be promulgated adopted to* place Laws 1973, Chapter 687 in accordance with regulations promulgated by a federal agency.

Sec. 92. Minnesota Statutes 1982, section 325F.09, is amended to read:

325F.09 [DEFINITIONS.]

(a) "Child" means any person less than 14 years of age;

(b) A toy presents an electrical hazard if, in normal use or when subjected to reasonably foreseeable damage or abuse, its design or manufacture may cause personal injury or illness by electrical shock or electrocution;

(c) A toy presents a mechanical hazard if, in normal use or when subjected to reasonably foreseeable damage or abuse, its design or manufacture presents an unreasonable risk of personal injury or illness:

(1) from fracture, fragmentation, or disassembly of the article;

(2) from propulsion of the article or any part or accessory thereof;

(3) from points or other protrusions, surfaces, edges, openings, or closures;

(4) from moving parts;

(5) from lack or insufficiency of controls to reduce or stop motion;

(6) as a result of self-adhering characteristics of the article;

(7) because the article or any part or accessory thereof may be aspirated or ingested;

(8) because of instability;

(9) from stuffing material which is not free of dangerous or harmful substances; or

(10) because of any other aspect of the article's design or manufacture.

(d) A toy presents a thermal hazard if, in normal use or when subjected to reasonably foreseeable damage or abuse, its design or manufacture presents an unreasonable risk of personal injury or illness because of heat as from heated parts, substances, or surfaces.

(e) "Toxic" means able to produce personal injury or illness to a person through ingestion, inhalation, or absorption through any body surface and can apply to any substance other than a radioactive substance.

(f) "Flammable" means having a flash point up to 80 degrees Fahrenheit as determined by the Tagliabue Open Cup Tester. The flammability of solids and of the contents of self-pressurized containers shall be determined by methods generally recognized as applicable to the materials or containers and established by ~~regulations~~ *rules* issued by the ~~director~~ *commissioner*.

(g) A toy presents a hazard of asphyxiation or suffocation if, in normal use or when subject to reasonable foreseeable damage or abuse, its design, manufacture or storage presents a risk of personal injury or illness from interference with normal breathing.

(h) "~~Director~~" "*Commissioner*" means ~~the director~~ *the commissioner* of the

consumer services section of the department of commerce.

(i) "Inspector" means an inspector of the consumer services section of the department of commerce.

Sec. 93. Minnesota Statutes 1982, section 325F.11, is amended to read:

325F.11 [TESTING OF ARTICLES TO DETERMINE AND INSURE COMPLIANCE.]

The ~~director~~ *commissioner* or an authorized and qualified employee or inspector, may undertake or provide for testing of toys and other articles as he deems necessary to determine their safety and fitness for commerce in this state in compliance with the provisions of sections 325F.08 to 325F.18. The ~~director~~ *commissioner* may contract or otherwise arrange with any testing facility, public or private, for testing and reporting the results. The ~~director~~ *commissioner* may, by ~~regulation rule~~, require that any toy or other article within the provisions of sections 325F.08 to 325F.18 be adequately tested by the ~~consumer services section~~, a reputable testing facility, or the manufacturer or distributor of the article, and that the certified results of the test be filed with the ~~director~~ *commissioner* before the sale, distribution, or other movement in commerce within this state of the toys or articles. The ~~director~~ *commissioner* may by ~~regulation rule~~ provide for penalties for the failure to provide test results.

Sec. 94. Minnesota Statutes 1982, section 472.03, subdivision 2, is amended to read:

Subd. 2. ~~"State agency"~~ "Authority" means the ~~executive council created and established by section 9.01+~~ *energy and economic development authority*.

Sec. 95. Minnesota Statutes 1982, section 472.13, is amended to read:

472.13 [APPROPRIATION TO ECONOMIC DEVELOPMENT REVOLVING FUND.]

Subdivision 1. [APPROPRIATION.] There is ~~hereby~~ appropriated out of the general fund in the state treasury not otherwise appropriated the sum of \$1,500,000 to the ~~state executive council authority~~ to be used for the purposes set forth in ~~these~~ sections 472.01 to 472.16 excluding the necessary cost of administration thereof. The sum ~~hereby~~ appropriated shall be credited to a special account in the state treasury to be known as the *economic development revolving fund created in section 54* to be drawn upon and used by the *state agency authority* in the manner and for the purposes provided for in ~~these~~ sections 472.01 to 472.16.

Subd. 2. [LOANS.] The *state agency authority* shall have the power, from time to time, to draw upon the *special account in the economic development revolving fund* such the amounts as the *state agency* shall determine *authority determines* for loans to local or area redevelopment agencies for the financing and planning of redevelopment projects. When the amounts so allocated by the *state agency authority* as loans to local or area redevelopment agencies are repaid to the *state agency authority* pursuant to the terms of its agreements with the local agency, the *state agency authority* shall pay *such* the amounts into the *special account in the economic development revolving fund*, it being the purpose and intent of this section that ~~said fund the account~~

shall operate as a revolving ~~fund~~ *account* whereby all appropriations and payments made ~~thereto~~ *to it* may be applied and reapplied to the purposes of ~~these~~ *sections 472.01 to 472.16* and shall not revert to the general ~~revenues~~ *fund* of the state.

Subd. 3. [EXCESS FUNDS.] ~~In the event that~~ *If the state agency shall determine authority determines* that funds held for the credit of the *special account in the economic development revolving fund* are in excess of the amounts needed by the *state agency authority* to carry out the purposes of ~~these~~ *sections 472.01 to 472.16*, the *state agency authority* may by resolution release ~~such the~~ *the excess* from the *development revolving fund*; ~~the same to be transferred account and transfer it to the general revenues fund of the state treasury.~~

Subd. 4. [MATCHING FUNDS.] The ~~state agency~~ *authority* may utilize any moneys in the *revolving fund special account* for the purpose of matching federal funds available under the Public Works and Economic Development Act of 1965.

Sec. 96. [INSTRUCTIONS TO REVISOR.]

Subdivision 1. The revisor of statutes shall substitute the term "commissioner of commerce" or "commissioner" or "department" or similar terms as appropriate for the following terms and similar terms, as necessary to reflect the transfers of powers, duties, and responsibilities prescribed by this act:

(a) *"commerce commission" meaning the state commerce commission, "department of commerce," or "commerce department" where those terms appear in Minnesota Statutes;*

(b) *"commissioner of banks," "commissioner of banking," or "banking commissioner" where those terms appear in Minnesota Statutes;*

(c) *"commissioner of insurance" or "insurance commissioner" where those terms appear in Minnesota Statutes;*

(d) *"commissioner of securities and real estate" where that term appears in Minnesota Statutes;*

(e) *"division" where that term appears in chapters 46 to 59A, and "banking division" or "division of banking" where those terms appear in Minnesota Statutes;*

(f) *"division of insurance," "insurance division," "department of insurance," or "insurance department" where those terms appear in Minnesota Statutes;*

(g) *"department of securities and real estate," "securities and real estate department," "securities and real estate division," or "division of securities and real estate" where those terms appear in Minnesota Statutes;*

(h) *"department of administration" or "commissioner of administration" where those terms appear in chapter 238; and*

(i) *"director of office of consumer services," "office of consumer services," "consumer services section," where those terms appear in chapter 155A and sections 325F.08 to 325F.18.*

Subd. 2. 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
45.04	46.041
45.05	46.042
45.06	46.043
45.07	46.044
45.071	46.045
45.08	46.046
45.16	8.32
45.17	8.33

Sec. 97. [INSTRUCTIONS TO REVISOR.]

Subdivision 1. [TERMS.] (a) The revisor of statutes shall substitute the terms "state planning director" 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.

(c) The revisor of statutes shall substitute the terms "commissioner of energy and economic development" or "commissioner" for the terms meaning the commissioner or department of energy, planning and development, where those terms appear in sections 116J.04 to 116J.36 and 116J.58 to 116J.91, and other laws relating to the energy and economic development functions of the department of energy, planning and development.

(d) The revisor of statutes shall change the words "commissioner," "commissioner of energy, planning and development," "department," "agency," "state agency," "executive council," or similar terms to "the energy and economic development authority" wherever it appears in sections 116J.65 and 116J.67; and in chapters 472 and 474.

Subd. 2. [RENUMBERING.] The revisor of statutes shall renumber each section specified in column A with the numbers 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
299A.04	116K.15

Sec. 98. [INSTRUCTION TO REVISOR.]

The revisor of statutes shall change the words "agency" or "small business finance agency" or similar terms to "energy and economic development authority" wherever it appears in chapter 116J and other laws to reflect the change of name made by this act.

Sec. 99. [APPROPRIATION.]

The sum of \$196,900 is appropriated from the general fund to the director of the department of public service for intervention in energy regulatory proceedings, to be available for the fiscal year ending June 30 in the years indicated.

1984	1985
\$98,400	\$98,500

Sec. 100. [REPEALER.]

Minnesota Statutes 1982, sections 45.01; 45.02; 45.021; 45.03; 45.031; 45.032; 45.033; 45.034; 45.15; 45.16, subdivisions 4 and 5; 45.17, subdivision 6; 116J.02; 116J.41; 116J.42, subdivisions 3, 5, and 6; 116J.46; 116J.47; 116J.62; 116J.88, subdivision 3; 155A.03, subdivision 10; and 155A.17 are repealed.

Sec. 101. [EFFECTIVE DATE.]

This act is effective July 1, 1983."

Delete the title and insert:

"A bill for an act relating to the operation of state government; reorganizing the department of commerce; providing for appointment of a commissioner of commerce; prescribing his powers and duties; transferring certain powers and duties from the commissioners of administration, banks, insurance, securities and real estate, and the director of the office of consumer services, to the commissioner of commerce; transferring certain powers and duties from the chairman of the commerce commission to the commissioner of commerce; transferring certain powers and duties from the director of the office of consumer services to the commissioner of commerce and the attorney general; eliminating certain positions and divisions in the department of commerce; reorganizing the department of energy, planning and development; creating a state planning agency, a department of energy and economic development, and an office of tourism; renaming the small business finance agency the energy and economic development authority; creating an information office and an export financing authority; creating energy financing programs; appropriating money; amending Minnesota Statutes 1982, sections 15.039; 15.06, subdivisions 1 and 8; 43A.08, subdivision 1a; 45.04; 45.05; 45.06; 45.07; 45.071, subdivision 2; 45.08, subdivision

3, and by adding a subdivision; 45.16, subdivisions 1 and 2; 45.17, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 116J.01, subdivisions 1, 2, and 3; 116J.03; 116J.09; 116J.10; 116J.31; 116J.42, subdivisions 1, 2, 4, 7, and 9; 116J.60; 116J.61; 116J.65, subdivision 5, and by adding a subdivision; 116J.67, subdivision 1; 116J.88, subdivisions 2, 4, 5, 6, 7, 8, and by adding a subdivision; 116J.89, subdivisions 1, 2, 7, 8, 9, 10, and by adding subdivisions; 116J.90; 116J.91, subdivisions 4, 9, 10, 11, 12, 14, 16, 19, and by adding a subdivision; 144A.53, subdivision 4; 155A.03, by adding a subdivision; 155A.05; 155A.18; 214.14, subdivision 1; 216B.62, subdivisions 2 and 3; 299A.04; 325E.09, subdivision 4a; 325F.09; 325F.11; 472.03, subdivision 2; 472.13; proposing new law coded in Minnesota Statutes, chapters 45, 116J, and 216A; proposing new law coded as Minnesota Statutes, chapter 116K; repealing Minnesota Statutes 1982, sections 45.01; 45.02; 45.021; 45.03; 45.031; 45.032; 45.033; 45.034; 45.15; 45.16, subdivisions 4 and 5; 45.17, subdivision 6; 116J.02; 116J.41; 116J.42, subdivisions 3, 5, and 6; 116J.46; 116J.47; 116J.62; 116J.88, subdivision 3; 155A.03, subdivision 10; and 155A.17."

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

MINORITY REPORT

We, the undersigned members of the Committee on Finance, to which was referred:

S. F. No. 810: A bill for an act relating to energy; providing for comprehensive energy programs; reorganizing the energy functions of state government; providing for energy related bonds; appropriating money; amending Minnesota Statutes 1982, sections 116C.03, subdivision 2; 116J.03, subdivision 1; 116J.09; 116J.10; 116J.88, subdivisions 4, 5, 6, 7, and 8, and by adding a subdivision; 116J.89, subdivisions 1, 2, and 7, and by adding subdivisions; 116J.90, subdivisions 2, 4, and 5; 116J.91, subdivisions 1, 4, 10, 11, 12, 14, 16, and 19, and by adding a subdivision; 462A.02, subdivision 10; 462A.05, by adding subdivisions; proposing new law coded in Minnesota Statutes, chapters 116J; 216A; and 462A; proposing new law coded as Minnesota Statutes, chapter 116L; repealing Minnesota Statutes 1982, sections 116J.62; 116J.88, subdivision 3; and 116J.89, subdivisions 8, 9, and 10.

as a minority report, do hereby report the same back with the recommendation that the committee report be further amended as follows:

Page 31, after line 21, insert:

"The legislature expressly determines that department of commerce statistics of recent years indicate historically high rates of unemployment within Minnesota, the unemployment rate within some areas of the state being higher than the national average; that within the last decade thousands of jobs and job opportunities have left the state; that there has been a deterioration of the business climate within Minnesota with respect to employment, this seriously adversely affecting the economy of the state and the prosperity, safety, health, and general welfare of its inhabitants and their standard of living; that there is an urgent need to correct these adverse

conditions and to build a climate that is favorable to business and business activity to prevent their recurrence; that financial assistance to eligible small businesses in the form of loan programs or the economic development fund would greatly ameliorate these adverse conditions by promoting the maintenance and expansion of employment in the state, in part because eligible small businesses provide most of the private sector employment opportunities within the state; that it is in the public interest and it is a public purpose for the authority to induce and to accelerate opportunity for employment in eligible small businesses by providing assistance for eligible small businesses from its loan programs and the economic development fund; and that the accomplishment of these objectives is a public purpose for which public money, through the appropriation of state funds to the economic development fund, may be spent."

Jim Ramstad, Howard A. Knutson, Dennis R. Frederickson, Dean E. Johnson, Earl W. Renneke, Nancy Brataas, Patricia L. Kronebusch, Lyle G. Mehrkens, Glen Taylor

SECOND READING OF SENATE BILLS

S.F. No. 810 was read the second time.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Kroening moved that H.F. No. 1290 be laid on the table. The motion prevailed.

MEMBERS EXCUSED

Mrs. Brataas was excused from the Session of today until 1:00 p.m. Mr. Laidig was excused from the Session of today from 10:00 to 11:20 a.m. Mr. Solon was excused from the Session of today from 12:00 noon to 2:00 p.m. Mr. Sieloff was excused from the Session of today from 12:30 to 3:00 p.m. Mr. Johnson, D.E. was excused from the Session of today at 3:15 p.m. Mr. Stumpf was excused from the Session of today from 3:30 to 4:45 p.m. Mr. Pogemiller was excused from the Session of today from 5:00 to 5:30 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:00 a.m., Friday, May 13, 1983. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate