

FIFTY-SEVENTH DAY

St. Paul, Minnesota, Thursday, May 19, 1983

The Senate met at 12:00 noon 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. Thomas M. Ploof.

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

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

The President declared a quorum present.

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

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

May 19, 1983

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 883.

Sincerely,
Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 684, 845, 932, 996 and 769.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1983

Mr. President:

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

S.F. No. 87: A bill for an act relating to public welfare; requiring reporting of abuse or neglect of children; exempting determinations of eligibility for day care and foster care licenses from application of the Minnesota criminal offenders rehabilitation law; requiring arrest information and reports to be made available to the commissioner of public welfare for the purpose of investigating applicants for a day care or residential facility license; establishing the burden of proof in certain appeals; providing for appointment of guardianship of children whose parents are deceased; clarifying investigative authority of welfare agencies in making mandated investigations of physical or sexual abuse and neglect; amending Minnesota Statutes 1982, sections 245.783, subdivision 3; 245.801, subdivision 4; 260.011, subdivision 2; 260.242, subdivision 2, and by adding a subdivision; 364.09; and 626.556, subdivisions 2, 4, 7, and 10.

Senate File No. 87 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1983

Mr. Petty moved that the Senate do not concur in the amendments by the House to S.F. No. 87, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

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

S.F. No. 455: A bill for an act relating to nonprofit corporations; providing for approval of certain actions by boards of directors without formal board meetings; amending Minnesota Statutes 1982, section 317.20, subdivision 12.

Senate File No. 455 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1983

Mr. Petty moved that the Senate do not concur in the amendments by the

House to S.F. No. 455, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

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

S.F. No. 591: A bill for an act relating to insurance; health and accident; prohibiting provider discrimination in insurance policies covering mental health services; amending Minnesota Statutes 1982, section 62A.152, by adding a subdivision.

Senate File No. 591 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1983

Mr. Petty moved that the Senate do not concur in the amendments by the House to S.F. No. 591, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

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

S.F. No. 699: A bill for an act relating to highway traffic regulations; regulating the use of materials on the windshields, side windows, and rear windows of motor vehicles; amending Minnesota Statutes 1982, section 169.71, by adding a subdivision.

Senate File No. 699 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1983

Mrs. Lantry moved that S.F. No. 699 be laid on the table. The motion prevailed.

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. 723: A bill for an act relating to public welfare; providing guidelines for considering race and ethnic origin in foster care and adoption placement; requiring recruitment, periodic review, reporting, and record-keeping; providing for a voluntary task force; amending Minnesota Statutes 1982, sections 257.01; 257.071, subdivision 2, and by adding subdivisions; 259.27, subdivisions 1 and 2; 259.28; 260.181, subdivision 3; 260.191,

subdivision 1; 260.192; and 260.242, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 257 and 259.

Senate File No. 723 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1983

CONCURRENCE AND REPASSAGE

Ms. Berglin moved that the Senate concur in the amendments by the House to S.F. No. 723 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 723 was read the third time, as amended by the House, and placed on its repassage.

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

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

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce 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. 782: A bill for an act relating to highway traffic regulations; providing a penalty for the operation of a vehicle in a manner that endangers or is likely to endanger property or persons; amending Minnesota Statutes 1982, section 169.13, subdivision 2.

Senate File No. 782 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1983

CONCURRENCE AND REPASSAGE

Mr. Wegscheid moved that the Senate concur in the amendments by the House to S.F. No. 782 and that the bill be placed on its repassage as

amended. The motion prevailed.

S.F. No. 782 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 58 and nays 3, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Laidig	Pehler	Solon
Anderson	Dieterich	Langseth	Peterson, C.C.	Spear
Belanger	Frank	Lantry	Peterson, D.L.	Storm
Berg	Frederickson	Lessard	Peterson, R.W.	Stumpf
Berglin	Freeman	Luther	Petty	Taylor
Bernhagen	Hughes	McQuaid	Pogemiller	Ulland
Bertram	Isackson	Mehrken	Purleerst	Vega
Brataas	Johnson, D.E.	Merriam	Ramstad	Waldorf
Chmielewski	Johnson, D.J.	Moe, D. M.	Reichgott	Wegscheid
Dahl	Jude	Moe, R. D.	Renneke	Willet
Davis	Knutson	Nelson	Schmitz	
DeCramer	Kroening	Olson	Sieloff	

Messrs. Benson, Kamrath and Knaak voted in the negative.

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 791: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to convey to private persons, under certain circumstances, road easements across railroad rights-of-way acquired for trail purposes; proposing new law coded in Minnesota Statutes, chapter 84.

Senate File No. 791 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1983

CONCURRENCE AND REPASSAGE

Mr. Chmielewski moved that the Senate concur in the amendments by the House to S.F. No. 791 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 791 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 844: A bill for an act relating to crimes; changing the penalty for the theft of controlled substances; amending Minnesota Statutes 1982, section 609.52, subdivision 3.

Senate File No. 844 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1983

CONCURRENCE AND REPASSAGE

Ms. Reichgott moved that the Senate concur in the amendments by the House to S.F. No. 844 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 844 was read the third time, as amended by the House, and placed on its repassage.

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

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

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce 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. 889: A bill for an act relating to local government; clarifying powers of municipalities and redevelopment agencies with respect to acquisition, construction, leasing, selling, loan of funds, and issuance of revenue bonds for industrial development projects; amending Minnesota Statutes 1982, sections 474.03 and 474.06.

Senate File No. 889 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1983

Mr. Kroening moved that the Senate do not concur in the amendments by the House to S.F. No. 889, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

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

S.F. No. 954: A bill for an act relating to commerce; mechanics' liens; providing notice requirements for certain contractors; increasing the time periods relating to an owner's obligation to pay a contractor and the duration of the lien; providing penalties for falsely filing liens; amending Minnesota Statutes 1982, sections 514.011, subdivisions 1 and 2; 514.07; 514.08, subdivision 1, and by adding a subdivision; and 514.10.

Senate File No. 954 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1983

CONCURRENCE AND REPASSAGE

Mr. Sieloff moved that the Senate concur in the amendments by the House to S.F. No. 954 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 954: A bill for an act relating to commerce; mechanics' liens; providing notice requirements for certain contractors; increasing the time periods relating to an owner's obligation to pay a contractor and the duration of the lien; amending Minnesota Statutes 1982, sections 514.011, subdivisions 1 and 2; 514.07; and 514.08, subdivision 1.

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

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

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

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce 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. 964: A bill for an act relating to corporations; providing for the determination of eligibility for the indemnification of certain persons; prohibiting the use of corporate information obtained improperly; authorizing the use of protective orders and other relief to prevent the premature disclosure of certain confidential information or the use of corporate information obtained improperly; permitting the use of corporate names of corporations not filing the active status report; restricting the right of a corporation to deny cumulative voting; protecting preemptive rights of shareholders; clarifying when equitable relief is available to minority stockholders; providing for the retention of cumulative voting and preemptive rights after incorporation; amending Minnesota Statutes 1982, sections 300.083, subdivision 6; 302A.115, by adding a subdivision; 302A.215; 302A.413, by adding a subdivision; 302A.461, subdivisions 4, 6, and by adding a subdivision; 302A.521, subdivision 6; and 302A.751, subdivision 1, and by adding a subdivision.

Senate File No. 964 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1983

Mr. Petty moved that the Senate do not concur in the amendments by the House to S.F. No. 964, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following

Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1009: A bill for an act relating to transportation; defining certain terms relating to motor vehicle carriers; delineating exemptions; prescribing rules for operation of carriers; providing for investigation of carriers; providing for regulation of carriers of hazardous materials; providing for granting of certificates for operation; setting procedures for establishing rate schedules; providing for fees; providing for annual registration; requiring certificates of insurance; allowing permits to be assigned or transferred under certain conditions; providing hearing procedures regarding rate schedules; requiring shipping documents; providing for regulation of interstate carriers; authorizing suspension of operating authority under certain conditions; requiring refunds for overcharges; providing enforcement powers; providing penalties; providing for annual renewal of identification stamps; regulating local carage carriers; assigning duties, functions, and powers to the public utilities commission until the transportation regulation board is established and appointed; amending Minnesota Statutes 1982, sections 168.013, subdivision 1e; 174.22, subdivision 2; 221.011, subdivisions 3, 9, 11, 12, 14, 15, 16, 19, 21, and 24, and by adding subdivisions; 221.021; 221.031; 221.041; 221.071; 221.111; 221.121; 221.131; 221.141, subdivision 1, and by adding a subdivision; 221.151; 221.161; 221.171; 221.181; 221.221; 221.251; 221.291; 221.296, subdivisions 2, 3, and 4; and 221.64; proposing new law coded in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1982, sections 221.011, subdivisions 4 and 22; 221.032; 221.141, subdivision 2; 221.292; 221.294; and 221.296, subdivision 1.

Senate File No. 1009 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1983

CONCURRENCE AND REPASSAGE

Mr. Novak moved that the Senate concur in the amendments by the House to S.F. No. 1009 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1009 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 58 and nays 8, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Bertram
Dieterich

Kamrath
Olson

Peterson, D.L.
Ramstad

Ulland

Waldorf

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 652.

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.

And the House respectfully requests that a Conference Committee of five members be appointed thereon:

Sarna; Rodriguez, F.; Metzen; Clawson and Wigley have been appointed as such committee on the part of the House.

House File No. 652 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 18, 1983

Mr. Peterson, C.C. moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 652, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the following change in the membership of the Conference Committee on Senate File No. 923:

The name of Halberg has been deleted.

The name of Ogren has been added.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1983

REPORTS OF COMMITTEES

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

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

H.F. No. 1188 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.
1188	1126				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1188 be amended as follows:

Page 2, line 9, before "into" insert "be conducted" and after "into" insert "the trade policies and practices of the United States government as they affect the American steel industry and"

And when so amended H.F. No. 1188 will be identical to S.F. No. 1126, and further recommends that H.F. No. 1188 be given its second reading and substituted for S.F. No. 1126, 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. 1031 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.
1031	893				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1031 be amended as follows:

Page 2, line 14, insert:

"Sec. 3. [COORDINATOR POSITION.]

Effective July 1, 1983, the Red River watershed coordinator position (senior hydrologist) in the unclassified service of the state is transferred to the classified civil service in the department of natural resources. The incumbent in this position shall be transferred without competitive examination to probationary status in the classified service in the same classification and at the same pay step as at present. All of the employee's accrued vacation and sick leave shall be transferred to his credit."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "transferring a position to the classified service;"

And when so amended H.F. No. 1031 will be identical to S.F. No. 893, and further recommends that H.F. No. 1031 be given its second reading and substituted for S.F. No. 893, and that the Senate File be indefinitely post-

poned.

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

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

H.F. No. 549 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.
549	409				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 549 be amended as follows:

Page 1, line 16, delete everything after the period

Page 1, delete lines 17 to 19

Page 2, line 8, delete "*he or she prescribes*" and insert "*prescribed*"

Page 2, line 30, delete "*is*" and insert "*must be*"

Page 2, line 31, delete everything after "*years*" and insert a period

Page 2, delete lines 32 to 36

Page 3, delete lines 1 to 3

Page 3, line 17, delete "*building*"

Page 5, line 31, strike "*116H*" and insert "*116J*"

Page 6, after line 29, insert "*The commissioner of energy, planning and development may employ persons necessary to perform the functions required by section 1. These employees shall be in the unclassified civil service.*"

Page 6, line 36, delete "*\$259,300 in*" and insert "*\$695,318*"

Page 7, line 1, delete everything before "*is*"

Page 7, line 3, delete everything after the period

Page 7, delete lines 4 to 6 and insert "*This sum is available for the fiscal year ending June 30 in the years indicated:*"

1984	1985
\$375,318	\$320,000

The commissioner may employ persons necessary to perform the functions required by section 1. These employees may be in the unclassified service. The approved complement of the department is increased by 11 positions."

Page 7, line 7, delete "*\$200,000 in fiscal*" and insert "*\$500,000*"

Page 7, line 8, delete everything before "*is*"

Page 7, line 18, delete "Any"

Page 7, delete lines 19 and 20

Page 7, line 24, before "shall" insert "upon request of the governor"

Page 7, line 26, delete "16A.66" and insert "16A.671"

And when so amended H.F. No. 549 will be identical to S.F. No. 409, and further recommends that H.F. No. 549 be given its second reading and substituted for S.F. No. 409, 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. 722 for comparison with companion Senate File, reports the following House File was found not identical with 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.
722	789				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 722 be amended as follows:

Strike all the language after the enacting clause of H.F. No. 722 and insert the language after the enacting clause of S.F. No. 789, as amended by the Committee on Public Utilities and State Regulated Industries, adopted by the Senate April 29, 1982; further, strike the title of H.F. No. 722 and insert the title of S.F. No. 789, as amended.

And when so amended H.F. No. 722 will be identical to S.F. No. 789, and further recommends that H.F. No. 722 be given its second reading and substituted for S.F. No. 789, 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. 720 for comparison with companion Senate File, reports the following House File was found not identical with 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.
720	794				

Pursuant to Rule 49, the Committee on Rules and Administration recom-

mends that H.F. No. 720 be amended as follows:

Strike all the language after the enacting clause of H.F. No. 720 and insert the language after the enacting clause of S.F. No. 794, as amended by the Committee on Finance, adopted by the Senate May 18, 1983; further, strike the title of H.F. No. 720 and insert the title of S.F. No. 794, as amended.

And when so amended H.F. No. 720 will be identical to S.F. No. 794, and further recommends that H.F. No. 720 be given its second reading and substituted for S.F. No. 794, 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.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1188, 1031, 549, 722 and 720 were read the second time.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Peterson, R.W. moved that the following members be excused for a Conference Committee on S.F. No. 989:

Messrs. Peterson, R.W.; Sieloff and Merriam. The motion prevailed.

MOTIONS AND RESOLUTIONS

Mr. Dahl moved that S.F. No. 338 be taken from the table. The motion prevailed.

Mr. Dahl moved that S.F. No. 338 be laid on the table. The motion prevailed.

Mr. Peterson, C.C. moved that S.F. No. 259 be withdrawn from the Committee on Judiciary and returned to its author.

CALL OF THE SENATE

Mr. Kamrath imposed a call of the Senate for the balance of the proceedings on S.F. No. 259. The Sergeant at Arms was instructed to bring in the absent members.

The question recurred on the motion of Mr. Peterson, C.C.

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

The roll was called, and there were yeas 39 and nays 24, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson	Frank	Kamrath	McQuaid	Renneke
Belanger	Frederick	Knaak	Mehrrens	Storm
Benson	Frederickson	Knutson	Olson	Taylor
Bernhagen	Isackson	Kronebusch	Peterson, D.L.	Ulland
Brataas	Johnson, D.E.	Laidig	Ramstad	

The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Ms. Berglin moved that S.F. No. 545 be taken from the table. The motion prevailed.

Ms. Berglin moved that the Senate do not concur in the amendments by the House to S.F. No. 545, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

S.F. No. 267 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 267

A bill for an act relating to taxation; increasing the amount of reduced valuations required to be maintained as public record; allowing the commissioner discretion in apportioning levies; increasing the amount of reduction in valuation requiring an opportunity for hearing; allowing county auditors to combine legal descriptions over section lines; classifying farm rental value data; excluding certain corporations from receiving agricultural property tax valuation; providing for continuation of open space treatment; providing for the assessment of certain class 3 property based upon its use; requiring publication of certain requirements for obtaining a homestead after the assessment date; removing special taxing districts from levy limits; allowing counties to charge for NSF checks; providing for rounding of tax amounts on tax statements; directing the use of the previous years mill rate when distributing delinquent tax proceeds; changing the date for filing list of delinquent personal property taxes; extending application of the alternate sale procedure; increasing the fee for lost deeds; changing the process for distributing mortgage registration tax proceeds; raising the fee for trip permits; requiring filing of an amended estate tax return in certain situations; clarifying the date interest accrues on estate tax amounts due; providing for department action following the filing of an amended return; requiring state's share of federal credit to not be less than state's share of the estate; providing a definition of surviving spouse for estate tax purposes; requiring filing of final account to commissioner of revenue; changing the requirement for filing a declaration of estimated gross earnings tax; imposing a penalty for failure to pay estimated gross earnings tax; extending the time allowed to claim gasoline or special fuel tax refunds; changing the requirements relating to distribution of free samples of cigarettes; imposing a penalty for failure to pay the tax on wines and spirituous liquors; conforming penalties for nonpayment of tax on beer to penalties imposed on other taxes; delaying implementation of the assessment penalty; requiring payment of current taxes before a plat is recorded; amending Minnesota Statutes 1982,

sections 270.10, subdivisions 1 and 3; 270.12, subdivision 3; 270.19; 272.46, subdivision 2; 273.11, subdivision 7; 273.111, subdivision 3; 273.112, subdivision 7, and by adding a subdivision; 273.13, subdivisions 4, and 16; 275.50, subdivision 2; 276.02; 276.04; 276.10; 277.02; 282.01, subdivision 7a; 282.33, subdivision 1; 287.08; 291.005, subdivision 1; 291.03, subdivision 1; 291.07, subdivision 1; 291.09, subdivision 3a; 291.131, subdivision 6; 291.132, subdivision 1; 291.215, subdivision 3; 295.365; 295.366, subdivision 1; 296.17, subdivisions 3 and 17; 297.03, subdivision 10; 340.485, subdivision 1, and by adding subdivisions; 340.492; 477A.04; 505.04; repealing Minnesota Statutes 1982, sections 272.022; 272.023; 272.024; 273.13, subdivision 18; 273.23; 273.24; 273.28; 273.29; 273.30; 273.31; 273.34; 273.44; 273.45; 273.52; 288.01; 288.02; 288.03; 288.04; 288.05; 291.07, subdivision 3; and 473F.04.

May 12, 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. 267, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate accede to the amendments of the House and that S.F. No. 267, be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 270.10, subdivision 1, is amended to read:

Subdivision 1. [IN WRITING; APPROVAL BY ATTORNEY GENERAL.] All orders and decisions of the commissioner of revenue, or any of his subordinates, respecting any tax, assessment, or other obligation, shall be in writing, filed in the offices of the department. No order or decision *issued after June 30, 1983*, increasing or decreasing any tax, assessment, or other obligation by a sum exceeding ~~\$500~~ \$1,000 on real or personal property, or the assessed valuation thereof, or other obligation relating thereto, the result of which is to increase or decrease the total amount payable including penalties and interest, by a sum exceeding \$1,000, and no order or decision increasing or decreasing any other tax by a sum exceeding \$1,000 exclusive of penalties and interest, shall be made without the written signature or facsimile signature of the commissioner, a deputy commissioner, assistant commissioner, division director, or acting division director in each case. Written notice of every order granting a reduction, abatement, or refundment exceeding \$5,000 of any tax exclusive of penalties and interest, shall be given within five days to the attorney general. The attorney general shall forthwith examine such order, and if he deems the same proper and legal he shall approve the same in writing, and may waive the right of appeal therefrom in behalf of the state; otherwise he shall take an appeal from the order in behalf of the state as herein provided; but written approval of the commissioner or his deputy and written notice to the attorney general, shall not be required with respect to the following orders: (1) orders reducing assessed valuation of property by reason of its classification as a homestead;

(2) orders not involving refunds which have the effect only of correcting income and franchise tax assessments to conform to the amounts shown on final returns filed as provided by section 290.42, clause (6); (3) original orders for the refundment of gasoline and special fuel taxes.

Sec. 2. Minnesota Statutes 1982, section 270.10, subdivision 3, is amended to read:

Subd. 3. [REDUCTIONS, ABATEMENTS, REFUNDMENTS; STATEMENT.] The commissioner shall maintain as a public record in the department a statement of all abatements, reductions, and refundments of assessments, taxes, or other obligations granted by the department during the biennium, which require the written approval of the commissioner or his deputy, and of which written notice to the attorney general is required, under the provisions of subdivision 1; and, all reductions of assessed valuation of more than \$50,000 \$100,000 and all reductions, refundments, or abatements of real estate tax of more than \$1,000 shall be separately shown in such statement. Such statement shall show the names of all taxpayers or other persons concerned, the original amount of each assessment, tax, or other obligation, the amount of abatement, reduction, or refundment allowed in each case, and the totals of the respective items, notwithstanding any provisions of law requiring secrecy to the contrary. The commissioner shall include in such statement the amount of all increases of taxes or assessments made by the department, classified in such manner as he may deem proper, but not showing the names of taxpayers or other persons concerned or the amounts in individual cases.

Sec. 3. Minnesota Statutes 1982, section 270.12, subdivision 3, is amended to read:

Subd. 3. ~~For taxes levied in 1980 and 1981, when a taxing jurisdiction lies in two or more counties, and the sales ratio studies prepared by the department of revenue show that the average level of assessment in the several portions of the district in the different counties differs by more than 20 percent, the board shall order that the levy of the taxing jurisdiction be apportioned among the portions in the different counties in the same proportion as the adjusted assessed value as determined by the equalization aid review committee in each portion is to the total adjusted assessed value, as determined by the equalization aid review committee, of the taxing jurisdiction; if the studies show that the level differs by more than five percent, the board may order the apportionment of the levy.~~ For taxes levied in 1982 1983 and thereafter when a taxing jurisdiction lies in two or more counties, if the sales ratio studies prepared by the department of revenue show that the level differs average levels of assessment in the several portions of the taxing jurisdictions in the different counties differ by more than five percent, the board shall order the apportionment of the levy, unless (a) the proportion of total adjusted assessed value in one of the counties is less than ten percent of the total adjusted assessed value in the taxing jurisdiction and the average level of assessment in that portion of the taxing jurisdiction is the level which differs by more than five percent from the assessment level in any one of the other portions of the taxing jurisdiction; (b) significant changes have been made in the level of assessment in the taxing jurisdiction which have not been reflected in the sales ratio study, and those changes alter the assessment levels in the portions of the taxing jurisdiction so that the assessment level now differs by five percent or less; or (c)

commercial, industrial, mineral, or public utility property predominates in one county within the taxing jurisdiction and another class of property predominates in another county within that same taxing jurisdiction. If one or more of these factors are present, the board may order the apportionment of the levy.

If, pursuant to this subdivision, the board apportions the levy, then that levy apportionment among the portions in the different counties shall be made in the same proportion as the adjusted assessed value as determined by the equalization aid review committee in each portion is to the total adjusted assessed value of the taxing jurisdiction.

For the purposes of this section, the average level of assessment in a taxing jurisdiction or portion thereof shall be the aggregate assessment sales ratio. Assessed values as determined by the equalization aid review committee shall be the values as determined for the year preceding the year in which the levy to be apportioned is levied.

Actions pursuant to this subdivision shall be commenced subsequent to the annual meeting on August 15 of the state board of equalization, but notice of the action shall be given to the affected jurisdiction and the appropriate county auditors by the following November 15.

Apportionment of a levy pursuant to this subdivision shall be considered as a remedy to be taken after equalization pursuant to subdivision 2, and when equalization within the jurisdiction would disturb equalization within other jurisdictions of which the several portions of the jurisdiction in question are a part.

Sec. 4. Minnesota Statutes 1982, section 270.19, is amended to read:

270.19 [MUNICIPALITIES TO BE PARTY TO TAX HEARINGS.]

Any city, town, school district, or county (all of which governmental subdivisions shall be embraced in the word "municipality" as used hereinafter) may appear at and become a party to any proceedings before the commissioner of revenue held for the purpose of equalizing or assessing any real or personal property in such municipality, or reducing the assessed valuation of any such property. For that purpose any such municipality may employ counsel and disburse money for other expenses in connection with such proceedings, on duly itemized, verified claims, which shall be audited and allowed as now provided by law for the allowance of claims against a municipality. It shall be the duty of the commissioner of revenue, at the time of such hearing, to grant the municipality, at its request, such further reasonable time as may be necessary for such municipality to prepare for further hearing. Before granting any reduction in assessed valuation exceeding ~~\$50,000~~ \$100,000, it shall be the duty of the commissioner of revenue, when any taxpayer or property owner has applied to the *commissioner after June 30, 1983*, for a reduction of the assessed valuation of any real or personal property in an amount exceeding ~~\$50,000~~ \$100,000, to give written notice to the officials of the municipality wherein such property is located and to permit such municipality to have reasonable opportunity to be heard at any proceedings concerning such reduction.

Sec. 5. Minnesota Statutes 1982, section 272.03, subdivision 1, is amended to read:

Subdivision 1. [REAL PROPERTY.] (a) For the purposes of taxation, "real property" includes the land itself, *rails, ties, and other track materials annexed to the land*, and all buildings, structures, and improvements or other fixtures on it, and all rights and privileges belonging or appertaining to it, and all mines, minerals, quarries, fossils, and trees on or under it.

(b) A building or structure shall include the building or structure itself, together with all improvements or fixtures annexed to the building or structure, which are integrated with and of permanent benefit to the building or structure, regardless of the present use of the building, and which cannot be removed without substantial damage to itself or to the building or structure.

(c) (i) The term real property shall not include tools, implements, machinery, and equipment attached to or installed in real property for use in the business or production activity conducted thereon, regardless of size, weight or method of attachment.

(ii) The exclusion provided in clause (c) (i) shall not apply to machinery and equipment includable as real estate by clauses (a) and (b) even though such machinery and equipment is used in the business or production activity conducted on the real property if and to the extent such business or production activity consists of furnishing services or products to other buildings or structures which are subject to taxation under this chapter.

Sec. 6. Minnesota Statutes 1982, section 272.46, subdivision 2, is amended to read:

Subd. 2. [AUDITOR TO COMBINE LEGAL DESCRIPTIONS.] The county auditor, upon written application of any person, shall for property tax purposes only, combine legal descriptions, as defined in section 272.195, of contiguous parcels to which the applicants hold title.

The county auditor shall not be required to combine legal descriptions over section lines in the following situations: when the parcels to be combined are located in different school districts or different taxing jurisdictions or when a combination of legal descriptions would require the auditor's office to modify an existing record-keeping system.

Sec. 7. Minnesota Statutes 1982, section 273.11, subdivision 7, is amended to read:

Subd. 7. [AGRICULTURAL LAND.] Tillable agricultural land shall be valued at the lesser of its market value or the value which could be derived from capitalizing its free market gross rental rate as determined for that grade of land at a rate of 5.6 percent. Each county assessor shall survey the farm rental values of each grade of farmland in each township in the county and shall determine a farm rental value to be used for the assessment of each grade. The values so determined shall be presented to township boards of review at their annual meetings held pursuant to section 274.01 in the year prior to that in which those values might be used in determining tillable agricultural land values. The boards of review and any property owners may present their comments on the values, including any evidence indicating that the values are inaccurate, by December 1 of the year when the values were presented to the board. The county assessor shall make his final determination of assessed valuations for January 2 of the subsequent year based on his determinations of the farm rental values as modified by any com-

ments of board members or other property owners that he finds persuasive. Nontillable agricultural land and buildings on agricultural land shall be valued in the usual manner. *The data collected by political subdivisions relating to farm rental values shall be classified as private data pursuant to section 13.02, subdivision 12. Any data collected shall be made available to the commissioner and, upon request, to other county assessors.*

Sec. 8. Minnesota Statutes 1982, section 273.111, subdivision 3, is amended to read:

Subd. 3. Real estate consisting of ten acres or more shall be entitled to valuation and tax deferment under this section only if it is actively and exclusively devoted to agricultural use as defined in subdivision 6 and either (1) is the homestead of the owner, or of a surviving spouse, child, or sibling of the owner or is real estate which is farmed with the real estate which contains the homestead property, or (2) has been in possession of the applicant, his spouse, parent, or sibling, or any combination thereof, for a period of at least seven years prior to application for benefits under the provisions of Laws 1969, Chapter 1039, or (3) is the homestead of a shareholder in a family farm corporation as defined in section 500.24, notwithstanding the fact that legal title to the real estate may be held in the name of the family farm corporation. *Valuation of real estate under this section is limited to parcels the ownership of which is in noncorporate entities except for family farm corporations organized pursuant to section 500.24. Corporate entities who previously qualified for tax deferment pursuant to this section and who continue to otherwise qualify under subdivisions 3 and 6 for a period of at least three years following the effective date of this section will not be required to make payment of the previously deferred taxes, notwithstanding the provisions of subdivision 9. Sale of the land prior to the expiration of the three-year period shall result in payment of deferred taxes as follows: sale within the first year requires payment of payable 1980, 1981, and 1982 deferred taxes; sale during the second year requires payment of payable 1981 and 1982 taxes deferred; and sale at any time during the third year will require payment of payable 1983 taxes deferred. Deferred taxes shall be paid even if the land qualifies pursuant to subdivision 11a. Special assessments are payable at the end of the three-year period or at time of sale, whichever comes first.*

Sec. 9. Minnesota Statutes 1982, section 273.112, subdivision 7, is amended to read:

Subd. 7. When real property which is being, or has been, valued and assessed under this section is sold or no longer qualifies under subdivision 3, ~~the portion sold or the portion which no longer qualifies under subdivision 3~~ shall be subject to additional taxes, in the amount equal to the difference between the taxes determined in accordance with subdivision 4, and the amount determined under subdivision 5, provided, however, that the amount determined under subdivision 5 shall not be greater than it would have been had the actual bona fide sale price of the real property at an arms length transaction been used in lieu of the market value determined under subdivision 5. ~~Such~~ The additional taxes shall be extended against the property on the tax list for the current year, provided, however, that no interest or penalties shall be levied on ~~such~~ the additional taxes if timely paid, and provided further, that ~~such~~ the additional taxes shall only be levied

with respect to the last seven years that the said property has been valued and assessed under this section.

Sec. 10. Minnesota Statutes 1982, section 273.112, is amended by adding a subdivision to read:

Subd. 10. When title to real property qualifying under subdivision 3 is transferred, no additional taxes shall be extended against the property if (a) the property continues to qualify pursuant to subdivision 3 and (b) the purchaser files an application for continued deferment of taxes pursuant to subdivision 6 within 30 days after the sale.

Sec. 11. Minnesota Statutes 1982, section 273.13, subdivision 4, is amended to read:

Subd. 4. [CLASS 3.] (a) Tools, implements and machinery of an electric generating, transmission or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings, which are fixtures, all agricultural land, except as provided by classes 1, 3b, 3e, ~~all buildings and structures assessed as personal property and situated upon land of the state of Minnesota or the United States government which is rural in character and devoted or adaptable to rural but not necessarily agricultural use~~ shall constitute class 3 and shall be valued and assessed at 33-1/3 percent of the market value thereof, except as provided in clause (b). ~~All buildings and structures assessed as personal property and situated upon land of the state of Minnesota or the United States government which is rural in character and devoted or adaptable to rural but not necessarily agricultural use shall be assessed based upon the use made of the building or structure.~~ Except as provided in subdivision 5a, all real property devoted to temporary and seasonal residential occupancy for recreational purposes, and which is not devoted to commercial purposes for more than 200 days in the year preceding the year of assessment, shall be class 3 property and assessed accordingly. For this purpose, property is devoted to commercial use on a specific day if it is used, or offered for use, and a fee is charged for such use. Class 3 shall also include commercial use real property used exclusively for recreational purposes in conjunction with class 3 property devoted to temporary and seasonal residential occupancy for recreational purposes, up to a total of two acres, provided the property is not devoted to commercial recreational use for more than 200 days in the year preceding the year of assessment and is located within two miles of the class 3 property with which it is used.

(b) Agricultural land which is classified as class 3 shall be assessed at 19 percent of its market value. Real property devoted to temporary and seasonal residential occupancy for recreation purposes which is classified as class 3 shall be assessed at 21 percent of its market value.

Sec. 12. Minnesota Statutes 1982, section 273.13, subdivision 16, is amended to read:

Subd. 16. [HOMESTEAD ESTABLISHED AFTER ASSESSMENT DATE.] (1) Any property which was not used for the purpose of a homestead on the assessment date, but which was used for the purpose of a homestead on June 1 of such year, shall constitute class 3b, class 3c or class

3cc, as the case may be, to the extent of one-half of the valuation which would have been includible in such class and one-half the homestead tax credit to which it would have been entitled had the property been used as a homestead on both such dates.

(2) Any taxpayer meeting the requirements of clause (1) must notify the county assessor, or the assessor who has the powers of the county assessor pursuant to section 273.063, in writing, prior to June 15 of such year in order to qualify thereunder.

The county assessor and the county auditor are hereby empowered to make the necessary changes on their assessment and tax records to provide for proper homestead classification and credit as provided in clauses (1) and (2).

(3) The owner of any property qualifying under this subdivision, which has not been accorded the benefits of this subdivision, regardless of whether or not the notification required in clause (2) has been timely filed, may be entitled to receive such benefits by proper application as provided in sections 270.07 or 375.192.

The county assessor shall cause to be published in a newspaper of general circulation within the county no later than June 1 of each year a notice to the public informing them of the requirement to file an application for homestead prior to June 15.

Sec. 13. Minnesota Statutes 1982, section 273.13, is amended by adding a subdivision to read:

Subd. 21. [LIMITATION ON HOMESTEAD CLASSIFICATION.] If the assessor has classified property as both homestead and nonhomestead, only the values attributable to the portion of the property classified as 3b, 3c, or 3cc shall be entitled to homestead treatment.

Except for buildings containing fewer than three units classified pursuant to section 273.13, subdivision 19, if the portion of a building used as the owner's homestead is separate from other dwelling units in the building, only the owner's residence plus the land attributable to the residence is to receive either the 3b, 3c, or 3cc classification.

Sec. 14. Minnesota Statutes 1982, section 275.50, subdivision 2, is amended to read:

Subd. 2. [GOVERNMENTAL SUBDIVISION.] "Governmental subdivision" means a county, home rule charter city, statutory city, or town ~~or special taxing district determined by the department of revenue~~, except a town that has a population of less than 5,000 according to the most recent federal census, provided that the population of an incorporated municipality located within the boundaries of a town is not included in the population of the town. The term does not include school districts ~~or~~, the metropolitan transit commission created pursuant to section 473.404, or special taxing districts as determined by the department of revenue.

Sec. 15. Minnesota Statutes 1982, section 276.02, is amended to read:

276.02 [TREASURER TO BE COLLECTOR.]

The county treasurer shall be the receiver and collector of all the taxes

extended upon the tax lists of the county, whether levied for state, county, city, town, school, poor, bridge, road, or other purposes and of all fines, forfeitures, or penalties received by any person or officer for the use of the county. He shall proceed to collect the same according to law and place the same when collected to the credit of the proper funds. This section shall not apply to fines and penalties accruing to municipal corporations for the violation of their ordinances which are recoverable before a city justice. *The county board may by resolution authorize the treasurer to impose a charge for any dishonored checks.*

Sec. 16. Minnesota Statutes 1982, section 276.04, is amended to read:

276.04 [NOTICE OF RATES; PROPERTY TAX STATEMENTS.]

On receiving the tax lists from the county auditor, the county treasurer shall, if directed by the county board, give three weeks' published notice in a newspaper specifying the rates of taxation for all general purposes and the amounts raised for each specific purpose. He shall, whether or not directed by the county board, cause to be printed on all tax statements, or on an attachment, a tabulated statement of the dollar amount due to each taxing authority and the amount to be paid to the state of Minnesota from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the state, county, township or municipality and school district shall be separately stated but the amounts due other taxing districts, if any, may be aggregated. *The dollar amounts may be rounded to the nearest even whole dollar. For purposes of this section whole odd-numbered dollars may be adjusted to the next higher even-numbered dollar.* The property tax statements for class 2a property shall contain the same information that is required on the tax statements for real property. The county treasurer shall mail to taxpayers statements of their personal property taxes due, such statements to be mailed not later than February 15 (except in the case of Class 2a property), statements of the real property taxes due shall be mailed not later than January 31; provided, that the validity of the tax shall not be affected by failure of the treasurer to mail such statement. Such real and personal property tax statements shall contain the market value, as defined in section 272.03, subdivision 8, used in determining the tax. The statement shall show the amount attributable to section 124.2137 as "state paid agricultural credit" and the amount attributable to section 273.13, subdivisions 6 and 7 as "state paid homestead credit". The statement shall show the reduction attributable to the aid given pursuant to section 273.139 and shall indicate that the reduction is paid by the state of Minnesota. If so directed by the county board, the treasurer shall visit places in the county as he deems expedient for the purpose of receiving taxes and the county board is authorized to pay the expenses of such visits and of preparing duplicate tax lists.

Sec. 17. Minnesota Statutes 1982, section 276.10, is amended to read:

276.10 [APPORTIONMENT AND DISTRIBUTION OF FUNDS.]

On the settlement day in March, June, and November of each year, the county auditor and county treasurer shall distribute all undistributed funds in the treasury, apportioning them, as provided by law, and placing them to the credit of the state, town, city, school district, special district and each county fund. Within 20 days after the distribution is completed, the county auditor shall make a report of it to the state auditor in the form prescribed by

the state auditor. The county auditor shall issue his warrant for the payment of moneys in the county treasury to the credit of the state, town, city, school district, or special districts on application of the persons entitled to receive them. *The county auditor may apply the mill rate from the year previous to the year of distribution when apportioning and distributing delinquent tax proceeds, provided that the composition of the previous year's mill rate between taxing districts is not significantly different than that which existed for the year of the delinquency.*

Sec. 18. Minnesota Statutes 1982, section 277.02, is amended to read:

277.02 [DELINQUENT LIST FILED IN COURT.]

On the ~~tenth~~ last secular day of July, of each year, the county treasurer shall make a list of all personal property taxes remaining delinquent July first, and shall immediately certify to and file the same with the clerk of the district court of his county, and upon such filing the list shall be prima facie evidence that all of the provisions of law in relation to the assessment and levy of such taxes have been complied with.

Sec. 19. Minnesota Statutes 1982, section 282.01, subdivision 7a, is amended to read:

Subd. 7a. [ALTERNATE SALE PROCEDURE.] Land located in a home rule charter or statutory city, or in a town described in section 368.01, subdivision 1, which cannot be improved because of noncompliance with local ordinances regarding minimum area, shape, frontage or access may be sold by the county auditor pursuant to this subdivision if the auditor determines that a nonpublic sale will encourage the approval of sale of the land by the city or town and promote its return to the tax rolls. *If the physical characteristics of the land indicate that its highest and best use will be achieved by combining it with an adjoining parcel and the city or town has not adopted a local ordinance governing minimum area, shape, frontage, or access, the land may also be sold pursuant to this subdivision.* The sale of land pursuant to this subdivision shall be subject to any conditions imposed by the county board pursuant to section 282.03. The governing body of the city or town may recommend to the county board conditions to be imposed on the sale. The county auditor may restrict the sale to owners of lands adjoining the land to be sold. The county auditor shall conduct the sale by sealed bid or may select another means of sale. The land shall be sold to the highest bidder but in no event shall the land be sold for less than its appraised value. All owners of land adjoining the land to be sold shall be given a written notice at least 30 days prior to the sale.

This subdivision shall be liberally construed to encourage the sale and utilization of tax-forfeited land, to eliminate nuisances and dangerous conditions and to increase compliance with land use ordinances.

Sec. 20. Minnesota Statutes 1982, section 282.33, subdivision 1, is amended to read:

Subdivision 1. Whenever an unrecorded deed from the state of Minnesota conveying tax-forfeited lands shall have been lost or destroyed, an application, in form approved by the attorney general, for a new deed may be made by the grantee or his successor in interest to the commissioner of revenue. If it appears to the commissioner of revenue that the facts stated in the petition

are true, he shall issue a new deed to the original grantee, in form approved by the attorney general, with like effect as the original deed. The application shall be accompanied by a fee of \$3 \$10, payable to the commissioner of revenue, which shall be deposited with the state treasurer and credited to the general fund.

Sec. 21. Minnesota Statutes 1982, section 287.08, is amended to read:

287.08 [TAX, HOW PAYABLE; RECEIPTS.]

The tax imposed by sections 287.01 to 287.12 shall be paid to the treasurer of the county in which the mortgaged land or some part thereof is situated at or before the time of filing the mortgage for record or registration. The treasurer shall endorse his receipt on the mortgage, countersigned by the county auditor, who shall charge the amount to the treasurer and such receipt shall be recorded with the mortgage, and such receipt of the record thereof shall be conclusive proof that the tax has been paid to the amount therein stated and authorize any county recorder to record the mortgage. Its form, in substance, shall be "registration tax hereon of _____ dollars paid." If the mortgages be exempt from taxation the endorsement shall be "exempt from registration tax," to be signed in either case by the treasurer as such, and in case of payment to be countersigned by the auditor. In case the treasurer shall be unable to determine whether a claim of exemption should be allowed, the tax shall be paid to the clerk of the district court of the county to abide the order of such court made upon motion of the county attorney, or of the claimant upon notice as required by the court. When any such mortgage covers real property situate in more than one county in this state the whole of such tax shall be paid to the treasurer of the county where the mortgage is first presented for record or registration, and the payment shall be receipted and countersigned as above provided; ~~and such. When the amount of the tax is \$100 or more, the tax shall be divided and paid over by the county treasurer receiving the same, on or before the tenth day of each month after receipt thereof, to the county or counties entitled thereto in the ratio which the assessed market value of the real property covered by the mortgage in each county bears to the assessed market value of all the property described in the mortgage. In making such division and payment the county treasurer shall send therewith a statement giving the description of the property described in the mortgage and the assessed market value of the part thereof situate in each county. For the purpose aforesaid, the treasurer of any county may require the treasurer of any other county to certify to him the assessed market valuation of any tract of land in any such mortgage.~~

Sec. 22. Minnesota Statutes 1982, section 291.005, subdivision 1, is amended to read:

Subdivision 1. Unless the context otherwise clearly requires, the following terms used in this chapter shall have the following meanings:

(1) "Federal gross estate" means the gross estate of a decedent as valued and otherwise determined for federal estate tax purposes by federal taxing authorities pursuant to the provisions of the Internal Revenue Code.

(2) "Minnesota gross estate" means the federal gross estate of a decedent after (a) excluding therefrom any property included therein which has its

situs outside Minnesota and (b) including therein any property omitted from the federal gross estate which is includable therein, has its situs in Minnesota, and was not disclosed to federal taxing authorities. The Minnesota gross estate shall be valued pursuant to the provisions of section 291.215, subdivision 1.

(3) "Personal representative" means the executor, administrator or other person appointed by the court to administer and dispose of the property of the decedent. If there is no executor, administrator or other person appointed, qualified, and acting within this state, then any person in actual or constructive possession of any property having a situs in this state which is included in the federal gross estate of the decedent shall be deemed to be a personal representative to the extent of the property and the Minnesota estate tax due with respect to the property.

(4) "Resident decedent" means an individual whose domicile at the time of his death was in Minnesota.

(5) "Nonresident decedent" means an individual whose domicile at the time of his death was not in Minnesota.

(6) "Situs of property" means, with respect to real property, the state or country in which it is located; with respect to tangible personal property, the state or country in which it was normally kept or located at the time of the decedent's death; and with respect to intangible personal property, the state or country in which the decedent was domiciled at death.

(7) "Commissioner" means the commissioner of revenue or any person to whom the commissioner has delegated functions under this chapter.

(8) "Internal Revenue Code" means the United States Internal Revenue Code of 1954 as amended through ~~December 31, 1981~~ *March 12, 1983*.

Sec. 23. Minnesota Statutes 1982, section 291.03, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] The tax imposed shall be an amount equal to the greater of:

(1) A tax computed by applying to the Minnesota taxable estate the following prescribed rates:

10 percent on the first \$100,000,

11 percent on the next \$500,000 or part thereof,

12 percent on the excess, or

(2) A tax equal to the ~~amount by which the maximum credit allowable under section 2011 of the Internal Revenue Code for state death taxes exceeds the aggregate amount of all estate, inheritance, legacy and succession taxes actually paid to other states of the United States in respect of any property subject to federal estate tax; provided that where the decedent is a nonresident the tax shall be in the same proportion of the maximum credit allowable under section 2011 of the Internal Revenue Code for state death taxes described herein as the Minnesota gross estate bears to the value of the federal gross estate. The tax determined under this paragraph shall not be greater than the maximum credit allowable under section 2011 of the Internal Revenue Code.~~

Sec. 24. Minnesota Statutes 1982, section 291.07, subdivision 1, is amended to read:

Subdivision 1. In determining the tax imposed by section 291.01, the following additional deductions shall be allowed:

(1) funeral expenses;

(2) reasonable legal, accounting, fiduciary and administration expenses and fees with respect to both probate and nonprobate assets, including but not limited to expenses incurred during administration in converting real and personal property held by the estate into cash;

(3) expenses of last illness unpaid at death;

(4) valid claims against and debts of the decedent, unpaid at death, which have been properly paid;

(5) ~~Minnesota and federal income taxes on "income in respect of a decedent," as computed under subdivision 3;~~

(6) the portion of the federal estate tax allocable to Minnesota, which shall equal the amount obtained by multiplying the federal estate tax due and payable to the United States Treasury by a fraction, the numerator of which shall equal the value of the Minnesota gross estate reduced by: (a) in the case of a resident decedent, the deductions and exemptions allowed by sections 291.05, 291.051, 291.065, 291.07, subdivision 1, clauses (1), (2), (3), (4), ~~(5), (6), and (7) and (8);~~ or (b) in the case of a nonresident decedent the deductions and exemptions allowed by sections 291.05, 291.051, 291.065, 291.08, clauses (1), (2), (4) and (5), and the denominator of which shall equal the value of the federal taxable estate as defined in section 2051 of the Internal Revenue Code; provided, however, in any case where any property is included in the Minnesota gross estate but incorrectly omitted from the federal gross estate or where any property that is included in both the Minnesota gross estate and the federal gross estate is valued at a higher or lower value in determining the Minnesota gross estate than in determining the federal gross estate, the federal taxable estate shall be recomputed for purposes of this provision and shall be based on a federal gross estate including the value of such omitted property and including or excluding the difference in value of such revalued property, and further provided that the federal estate tax deduction shall not exceed the federal estate tax due and payable to the United States Treasury;

~~(7)~~ (6) real estate taxes due and payable prior to or in the year of the decedent's death with respect to real estate subject to taxation under this chapter and other taxes which have accrued and are a lien on property in the estate at the time of death;

~~(8)~~ (7) liens and mortgages on property subject to taxation under this chapter which are not deductible as claims or debts of the decedent.

Sec. 25. Minnesota Statutes 1982, section 291.09, subdivision 3a, is amended to read:

Subd. 3a. (1) The commissioner may challenge matters of valuation or taxability of any assets reported on the return, or any deductions claimed, or the computation of tax, only if within 180 days from the due date of the

return or the receipt of the return and all documents required to be filed with the return, whichever is later, the commissioner mails or delivers a written notice to the personal representative objecting to the return as filed and specifying the reasons for the objection.

(2) If the personal representative disagrees with the objection or does not wish to fully comply with the objection, he may request that the commissioner hold a hearing on the objection. Within 30 days of receipt of a request, the commissioner shall set a time and place for hearing. Unless otherwise agreed upon, the hearing date shall not be earlier than 30 days nor later than 60 days from the date of the notice setting the hearing. The notice of hearing shall set forth the rights available to the personal representative under chapter 14. Not later than 30 days after the commissioner receives the report and recommendation of the hearing examiner, or a written waiver of his hearing rights by the personal representative, the commissioner shall issue an order determining the tax. Any such determination made by the commissioner may be appealed to the tax court as provided in section 271.09.

(3) At any time together with or after the objection, the commissioner, on his own initiative, may set a time and place for a hearing in accordance with (2) above.

(4) In his objection, or at any time thereafter, the commissioner may assess any additional tax as the facts may warrant, subject to the right of the personal representative to demand a hearing under chapter 15. If the personal representative does not demand a hearing within 90 days of the date of the assessment, the tax so assessed shall be legally due and the commissioner may proceed to collect any unpaid tax after one year from the date of death. If the commissioner later finds the tax assessment to be erroneous, he may adjust the assessment prior to collection.

(5) The commissioner shall not be required to object to any subsequent original, amended or supplemental return in order to preserve his rights. The commissioner shall not be precluded from objecting to a subsequent original, amended or supplemental return even though an original return was accepted as filed. If the commissioner had accepted an original return showing no tax due and a subsequent original, amended or supplemental return discloses additional assets not disclosed on the original return, the commissioner may object to any matter of valuation, taxability, deduction or computation of tax on the original return within 180 days of receipt of the subsequent original, amended or supplemental return.

(6) Subject to the provisions of ~~section~~ sections 291.11 and 291.215, the Minnesota estate tax liability shall be considered as finally determined on the date notification of acceptance is issued to the personal representative or, if no objection is filed, on the day following 180 days from the due date of the return or the receipt of the return, together with all other documents required to be filed with the return, whichever is later.

(7) Subject to the time limits imposed elsewhere in this chapter, the commissioner may refund an overpayment of tax, penalty or interest even though the personal representative has not made an application for refund.

amended to read:

Subd. 6. The amount of tax not timely paid, including the amount of unpaid tax when the taxpayer elects to pay the tax in installments, together with any penalty provided by this section, shall bear interest at the rate specified in section 270.75 from the time such tax should have been paid *if no extension had been granted or election to pay the tax in installments had been made* until paid. All interest and penalty shall be added to the tax and collected as a part thereof.

Sec. 27. Minnesota Statutes 1982, section 291.132, subdivision 1, is amended to read:

Subdivision 1. The commissioner may extend the time for filing returns or making payment of the tax, without penalty, for a period not to exceed six months. In lieu of the six month extension, the commissioner may extend the time for payment of the tax, without penalty, for a period not to exceed two years if the payment of the tax would result in an undue hardship on the estate. The written request for the undue hardship extension shall be made to the commissioner no later than nine months after the death of the person from whom the transfer is made. The taxpayer may elect to pay the taxes in installments as specified in section 291.11, subdivision 1, provided that the period of time for the payment of the taxes shall not exceed five years from the expiration of the extension granted by the commissioner. Where an extension of time has been granted, ~~interest shall be payable at the rate specified in section 270.75 from the date when such payment should have been made, if no extension had been granted, until such tax is paid for payment, interest shall be paid at the rate specified in section 270.75 from the date when payment should have been made if no extension had been granted, until the tax is paid. When an election has been made to pay the tax in installments, interest shall be paid at the rate specified in section 270.75 from the date when payment of the tax should have been made if no election to pay the tax in installments had been made.~~

Sec. 28. Minnesota Statutes 1982, section 291.215, subdivision 3, is amended to read:

Subd. 3. The personal representative shall file an amended estate tax return within 90 days after any amended estate tax return is filed pursuant to the provisions of the United States Internal Revenue Code. If no amended federal estate tax return is filed but the federal estate tax return is changed or corrected, ~~the change or correction shall be reported to personal representative shall file an amended estate tax return with the commissioner of revenue~~ within 90 days after the final determination of the change or correction is made. ~~Upon receipt of an amended federal estate tax return or upon notification of any change or correction made on the federal estate tax return~~ *If the personal representative fails to file an amended estate tax return, the commissioner of revenue may reassess the estate tax.*

Sec. 29. Minnesota Statutes 1982, section 295.365, is amended to read:

295.365 [DECLARATIONS OF ESTIMATED GROSS EARNINGS TAX BY TELEGRAPH AND TELEPHONE COMPANIES.]

Every telegraph company subject to taxation pursuant to section 295.32 and every telephone company subject to taxation pursuant to section

295.34, shall make a declaration of estimated gross earnings tax for the calendar year *if the gross earnings tax can reasonably be expected to be in excess of \$1,000*. The declaration of estimated tax shall be filed on or before March 15. The amount of estimated tax with respect to which a declaration is required shall be paid in four equal installments on or before the 15th day of March, June, September, and December. An amendment of a declaration may be filed in any interval between installment dates prescribed above but only one amendment may be filed in each such interval.

If any amendment of a declaration is filed, the amount of each remaining installment shall be the amount which would have been payable if the new estimate had been made when the first estimate for the calendar year was made, increased or decreased, as the case may be, by the amount computed by dividing

(1) the difference between (A) the amount of estimated tax required to be paid before the date on which the amendment was made, and (B) the amount of estimated tax which would have been required to be paid before such date if the new estimate had been made when the first estimate was made, by

(2) the number of installments remaining to be paid on or after the date on which the amendment is made.

The commissioner of revenue may grant a reasonable extension of time for filing any declaration but such extension shall not be for more than six months.

Sec. 30. Minnesota Statutes 1982, section 295.366, subdivision 1, is amended to read:

Subdivision 1. [ADDITION TO THE TAX.] In case of any underpayment of estimated tax by a telegraph or telephone company, except as provided in subdivision 4, there shall be added to the tax for the taxable year an amount determined at the rate specified in section 270.75 upon the amount of the underpayment (determined under subdivision 2) for the period of the underpayment (determined under subdivision 3). *For taxable years beginning after December 31, 1982, the amount in lieu of interest for that taxable year shall be the amount determined in section 270.75 for January 1 on which begins the taxable year or precedes the beginning of the taxable year.*

Sec. 31. Minnesota Statutes 1982, section 296.06, subdivision 2, is amended to read:

Subd. 2. [REQUIREMENTS FOR ISSUANCE.] A distributor's license shall be issued to any responsible person qualifying as a distributor who makes application therefor, and who shall pay to the commissioner at the time thereof and annually thereafter a license fee of \$5 \$10, and who shall further comply with the following conditions:

(1) A written application shall be made in a manner approved by the commissioner, who shall require the applicant or licensee to deposit with the state treasurer securities of the United States government or the state of Minnesota or to execute and file a bond, with a corporate surety approved by the commissioner, to the state of Minnesota in an amount to be determined by the commissioner and in a form to be fixed by the commissioner and approved by the attorney general, and which shall be conditioned for the

payment when due of all excise taxes, inspection fees, penalties, and accrued interest arising in the ordinary course of business or by reason of any delinquent money which may be due the state of Minnesota; the bond shall cover all places of business within the state where petroleum products are received by the licensee; and the applicant or licensee shall designate and maintain an agent in this state upon whom service may be had for all purposes of this section.

(2) An initial applicant for a distributor's license shall furnish a bond in a minimum sum of \$3,000 for the first year;

(3) Whenever it is the opinion of the commissioner that the bond given by a licensee is inadequate in amount to fully protect the state, he shall require an additional bond in such amount as he deems sufficient;

(4) If any licensee desires to be exempt from depositing securities or furnishing such bond, as hereinbefore provided, he shall furnish an itemized financial statement showing the assets and the liabilities of the applicant and if it shall appear to the commissioner, from the financial statement or otherwise, that the applicant is financially responsible, then the commissioner may exempt such applicant from depositing such securities or furnishing such bond until the commissioner otherwise orders.

(5) The premium on any bond required under clauses (1) and (2), and on any additional bond required under clause (3), shall be paid by the commissioner out of a bond premium fund which he shall set up from an appropriation by the legislature from whatever funds are available. All of said bonds required during each license period shall be purchased by the commissioner of administration from the lowest responsible bidder after advertising for competitive bids in the manner prescribed by Laws 1939, Chapter 431, Article II, as amended. The commissioner of administration shall call for bids within a reasonable period prior to the commencement of license period.

(6) ~~After the present license period expires on May 31, 1947, the next license period shall be for one year ending May 31, 1948, the next license period shall be for 13 months ending June 30, 1949, and thereafter~~ Each license period shall be for one year ending each June 30.

(7) Upon application to the commissioner and compliance by the applicant with the provisions of this subdivision, the commissioner also shall issue a distributor's license to (a) any person engaged in this state in the bulk storage of petroleum products and the distribution thereof by tank car or tank truck or both, and (b) any person holding an unrevoked license as a distributor since January 1, 1947, and (c) any person holding a license and performing a function under the motor fuel tax law of an adjoining state equivalent to that of a distributor under this act, who desires to ship or deliver petroleum products from that state to persons in this state not licensed as distributors in this state and who agrees to assume with respect to all petroleum products so shipped or delivered the liabilities of a distributor receiving petroleum products in this state, provided, however, that any such license shall be issued only for the purpose of permitting such person to receive in this state the petroleum products so shipped or delivered. Except as herein provided, all persons licensed as distributors under this clause shall have the same rights and privileges and be subject to the same duties,

requirements and penalties as other licensed distributors.

Sec. 32. Minnesota Statutes 1982, section 296.12, subdivision 1, is amended to read:

Subdivision 1. [SPECIAL FUEL DEALERS' LICENSE REQUIREMENTS.] No person except a licensed distributor shall engage in the business of selling or delivering special fuel as a special fuel dealer unless he shall have applied for and secured from the commissioner a special fuel dealer's license. The application shall be made in a manner approved by the commissioner and shall be accompanied by the payment of \$5 \$10, which shall be the license fee. A special fuel dealer's license shall be issued to any responsible person qualifying as a special fuel dealer who makes proper application therefor. The license shall be displayed in a conspicuous manner in the place of business and shall expire annually on November 30.

If at any time a special fuel dealer discontinues, sells or disposes of his business in any manner, he shall surrender his special fuel dealer's license to the commissioner at his office in St. Paul, Minnesota.

Sec. 33. Minnesota Statutes 1982, section 296.12, subdivision 2, is amended to read:

Subd. 2. [BULK PURCHASERS' LICENSE REQUIREMENTS.] No person shall receive special fuel as a bulk purchaser unless he shall have applied for and secured from the commissioner a bulk purchaser's license. The application shall be made in a manner approved by the commissioner and shall be accompanied by the payment of \$5 \$10, which shall be the license fee. A bulk purchaser's license shall be issued to any responsible person qualifying as a bulk purchaser who makes proper application therefor. The license shall be displayed in a conspicuous manner in the place of business and shall expire annually on November 30.

If at any time a bulk purchaser discontinues, sells or disposes of his business in any manner, he shall surrender his bulk purchaser's license to the commissioner at his office in St. Paul, Minnesota.

Sec. 34. Minnesota Statutes 1982, section 296.17, subdivision 3, is amended to read:

Subd. 3. [REFUNDS ON GASOLINE AND SPECIAL FUEL USED IN OTHER STATES.] Every person regularly or habitually operating motor vehicles upon the public highways of any other state or states and using in said motor vehicles gasoline or special fuel purchased or obtained in this state, shall be allowed a credit or refund equal to the tax on said gasoline or special fuel paid to this state on the gasoline or special fuel actually used in the other state or states. No credit or refund shall be allowed under this subdivision for taxes paid to any state which imposes a tax upon gasoline or special fuel purchased or obtained in this state and used on the highways of such other state, and which does not allow a similar credit or refund for the tax paid to this state on gasoline or special fuel purchased or acquired in such other state and used on the highways of this state. Every person claiming a credit or refund under this subdivision shall file, within 30 days after the tax to such other state, or states, is paid, a report in such form as may be prescribed by the commissioner, together with such proof of the payment of the tax, and of the fact that it was paid on gasoline or special fuel purchased

or obtained within this state as the commissioner may require. *The claimant may file up to six months from the date the tax was paid to another state but any refund applied for after 30 days from date of payment shall be reduced by five percent for each 30-day period or portion thereof following the initial 30-day period.*

Sec. 35. Minnesota Statutes 1982, section 296.17, subdivision 10, is amended to read:

Subd. 10. [LICENSE.] (a) No motor carrier shall operate a commercial motor vehicle upon the highways of this state unless and until he has been issued a license pursuant to this section or has obtained a trip permit or temporary authorization as provided in this section.

(b) A license shall be issued to any responsible person qualifying as a motor carrier who makes application therefor and who shall pay to the commissioner, at the time thereof, a license fee of ~~\$10~~ \$20. Such license shall remain valid until revoked by the commissioner or until surrendered by the motor carrier. Such license, photocopy or electrostatic copy of it, shall be carried in the cab of every commercial motor vehicle while it is being operated in Minnesota by a licensed motor carrier.

Sec. 36. Minnesota Statutes 1982, section 296.17, subdivision 17, is amended to read:

Subd. 17. [TRIP PERMITS AND TEMPORARY AUTHORIZATIONS.] (a) A motor carrier may obtain a trip permit which shall authorize an unlicensed motor carrier to operate a commercial motor vehicle in Minnesota for a period of five consecutive days beginning and ending on the dates specified on the face of the permit. The fee for such permit shall be ~~\$5~~ \$15. Fees for trip permits shall be in lieu of the road tax otherwise assessable against such motor carrier on account of such commercial motor vehicle operating therewith, and no reports of mileage shall be required with respect to such vehicle.

The above permit shall be issued in lieu of license if in the course of the motor carrier's operations he operates on Minnesota highways no more than three times in any one calendar year.

(b) Whenever the commissioner is satisfied that unforeseen or uncertain circumstances have arisen which requires a motor carrier to operate in this state a commercial motor vehicle for which neither a trip permit pursuant to clause (a) of this subdivision nor a license pursuant to subdivisions 7 to 22 has yet been obtained, and if the commissioner is satisfied that prohibition of such operation would cause undue hardship, the commissioner may provide the motor carrier with temporary authorization for the operation of such vehicle. A motor carrier receiving temporary authorization pursuant to this subdivision shall perfect the same either by obtaining a trip permit or a license, as the case may be, for the vehicle at the earliest practicable time.

Sec. 37. Minnesota Statutes 1982, section 297.03, subdivision 10, is amended to read:

Subd. 10. [DISTRIBUTION OF FREE SAMPLE PACKAGES.] The commissioner may authorize distribution in Minnesota of free packages of cigarettes without affixing stamps to said packages by the following persons

provided that monthly reports and payment of a tax at the same rates prescribed by section 297.02, subdivision 1, shall be made directly to the commissioner ~~in the manner and~~ under the terms provided for by ~~him~~ the commissioner:

(1) Any manufacturer, providing such packages contain not more than ~~ten~~ 20 cigarettes each;

(2) Any person engaged as a common carrier in the transportation of persons, who purchases packages of cigarettes from a manufacturer for distribution without charge, provided that no such package shall contain more than ~~ten~~ 20 cigarettes.

All packages distributed pursuant to this section shall be marked "Complimentary - Not For Sale." The commissioner shall promulgate rules providing for the procedures to be complied with by any person distributing free sample packages.

Sec. 38. Minnesota Statutes 1982, section 340.485, subdivision 1, is amended to read:

Subdivision 1. [MANNER AND TIME OF PAYMENT; PENALTIES; DEPOSIT OF TAX PROCEEDS.] The tax on wines and spirituous liquors, on which the excise tax has not been previously paid, shall be paid to the commissioner of revenue by persons having on file with the commissioner of revenue a sufficient bond as provided in subdivision 2 on or before the tenth day of the month following the month in which the first sale is made in this state by a licensed manufacturer or wholesaler. Every such person liable for any tax on wines or spirituous liquors imposed by section 340.47 shall file with the commissioner of revenue on or before the tenth day of the month following first sale in this state by a licensed manufacturer or wholesaler a return in such form and showing such information as the commissioner of revenue shall by rule prescribe, and shall keep records and render reports as the commissioner of revenue shall by rule prescribe. ~~If the excise tax is not paid when due, there shall be added to the tax an amount equivalent to five percent per month from the date the tax became due until paid. If any person files a false or fraudulent return, there shall be added to the tax a sum equivalent to 100 percent of the amount of the tax evaded or attempted to be evaded.~~ Any person liable for any tax on wines or spirituous liquors not having on file a sufficient bond shall pay the tax within 24 hours after first sale in this state. The commissioner of revenue shall pay all moneys received in the general fund. The commissioner of revenue may certify to the commissioner of public safety any failure to pay taxes when due as a violation of a statute relating to the sale of intoxicating liquor for possible revocation or suspension of license under section 340.135.

If any person fails to pay the tax within the time specified or within 30 days after final determination of an appeal to the Minnesota tax court relating thereto, there shall be added a penalty equal to ten percent of the amount so remaining unpaid. The penalty shall be collected as part of the tax, and the amount of the tax not timely paid, together with the penalty, shall bear interest at the rate specified in section 270.75 from the time the tax should have been paid until paid.

Sec. 39. Minnesota Statutes 1982, section 340.485, is amended by adding

a subdivision to read:

Subd. 5. [FAILURE TO FILE RETURN; PENALTY.] In case of any failure to make and file a return as required by this chapter within the time prescribed by law or prescribed by the commissioner in pursuance of law, unless it is shown that the failure is not due to wilful neglect, there shall be added to the tax in lieu of the ten percent specific penalty provided in subdivision 1: ten percent if the failure is for not more than 30 days with an additional five percent for each additional 30 days or fraction thereof during which such failure continues, not exceeding 25 percent in the aggregate. The amount added to any tax shall be collected at the same time and in the same manner and as a part of the tax, and the amount of tax together with the amount added shall bear interest at the rate specified in section 270.75 from the time the tax should have been paid until paid unless the tax has been paid before the discovery of the neglect, in which case the amount added shall be collected in the same manner as the tax.

For the purposes of this subdivision, the amount of any taxes required to be shown on the return shall be reduced by the amount of any part of the tax which is paid on or before the date prescribed for payment of the tax and by the amount of any credit against the tax which may be claimed upon the return.

Sec. 40. Minnesota Statutes 1982, section 340.485, is amended by adding a subdivision to read:

Subd. 6. [INTENT TO EVADE TAX; FAILURE TO FILE OR FILING FALSE RETURN; PENALTY.] Where any person, with intent to evade the tax, fails to file any return required or shall with intent file a false or fraudulent return, there shall also be imposed upon the person an additional penalty equal to 50 percent of any tax (less any amount paid on the basis of the false or fraudulent return) found due for the period to which the return related. The penalty imposed by this subdivision shall be collected as part of the tax and shall be in addition to any other penalties provided by law.

Sec. 41. Minnesota Statutes 1982, section 340.492, is amended to read:

340.492 [MANNER AND TIME OF PAYMENT; PENALTIES; DEPOSIT OF TAX PROCEEDS.]

Subdivision 1. [FILING DATE; TIME OF PAYMENT.] The commissioner of revenue shall issue rules adopting the reporting method for paying and collecting the excise tax on fermented malt beverages. The rules shall require reports to be filed with and the excise tax to be paid to the commissioner on or before the fifteenth day of the month following the month in which the importation into or the first sale is made in this state, whichever first occurs. If the excise tax is not paid when due, there shall be added to the amount of the tax as penalty a sum equivalent to ten percent thereof, and in addition thereto interest on the tax and penalty at the rate of 20 percent per annum, adjusted as provided in section 270.75, from the date the tax became due until paid. The commissioner shall deposit all moneys received in the funds as provided by section 340.47, subdivision 2.

Subd. 2. [FAILURE TO FILE RETURN.] In case of any failure to make and file a return as required by this chapter within the time prescribed by law or prescribed by the commissioner in pursuance of law, unless it is shown

that the failure is not due to wilful neglect, there shall be added to the tax in lieu of the ten percent specific penalty provided in subdivision 1: ten percent if the failure is for not more than 30 days with an additional five percent for each additional 30 days or fraction thereof during which such failure continues, not exceeding 25 percent in the aggregate. The amount added to any tax shall be collected at the same time and in the same manner and as a part of the tax, and the amount of tax together with the amount added shall bear interest at the rate specified in section 270.75 from the time the tax should have been paid until paid unless the tax has been paid before the discovery of the neglect, in which case the amount added shall be collected in the same manner as the tax.

For purposes of this subdivision, the amount of any taxes required to be shown on the return shall be reduced by the amount of any part of the tax which is paid on or before the date prescribed for payment of the tax and by the amount of any credit against the tax which may be claimed upon the return.

Subd. 3. [INTENT TO EVADE TAX; FAILURE TO FILE OR FILING FALSE RETURN.] Where any person, with intent to evade the tax, fails to file any return required or shall with such intent file a false or fraudulent return, there shall also be imposed upon the person an additional penalty equal to 50 percent of any tax (less any amount paid on the basis of the false or fraudulent return) found due for the period to which the return related. The penalty imposed by this subdivision shall be collected as part of the tax and shall be in addition to any other penalties provided by law.

Sec. 42. Minnesota Statutes 1982, section 477A.04, subdivision 2, is amended to read:

Subd. 2. Beginning in calendar year ~~1984~~ 1986 and subsequent years, an assessment district shall be penalized according to the following schedule:

(a) \$1 per capita if the coefficient of dispersion in assessments for the preceding year is more than ten percent but less than 12.5 percent;

(b) \$3 per capita if the coefficient of dispersion in assessments for the preceding year is at least 12.5 percent but no more than 15 percent;

(c) \$5 per capita if the coefficient of dispersion in assessments for the preceding year is greater than 15 percent.

Sec. 43. Minnesota Statutes 1982, section 505.04, is amended to read:

505.04 [RECORDING.]

Every plat, when duly certified, signed, and acknowledged, as provided in section 505.03, and upon presentation of a certificate from the county auditor that the current year's taxes have been paid, shall be filed and recorded in the office of the county recorder.

Sec. 44. [CITY OF MINNEAPOLIS; HRA REPLACEMENT PROPERTY.]

If approved by the governing body of the city prior to November 1, 1983, the city of Minneapolis may exempt from taxation property located within the city not exceeding one acre which has been acquired to replace property acquired by a housing and redevelopment authority under chapter 462, as

part of a redevelopment project, and which is owned and operated by a nonprofit organization whose general purpose is to sponsor and encourage activities in connection with a particular ethnic heritage; if the property is used primarily as a meeting facility, social hall, or recreational facility by the group and the property is not used for residential purposes on either a temporary or permanent basis. An exemption from taxes granted under this section shall be limited in time to 15 years. The city may require the owner of the property to pay an amount in lieu of taxes.

Sec. 45. [REPEALER.]

(a) Minnesota Statutes 1982, sections 272.022; 272.023; 272.024; 273.13, subdivision 18; 273.23; 273.24; 273.28; 273.29; 273.30; 273.31; 273.34; 273.44; 273.45; 273.52; 288.01; 288.02; 288.03; 288.04; 288.05; and 473F.04, are repealed.

(b) Minnesota Statutes 1982, section 291.07, subdivision 3, is repealed.

Sec. 46. [EFFECTIVE DATE.]

Sections 1, 2, 4, 6, 12, 15, 19, and 20 are effective July 1, 1983. Sections 3, 8 to 11, 14, and 16 are effective for taxes levied in 1983 and thereafter, payable in 1984 and thereafter. Sections 5, 7, 18, 31 to 36, 42 and 45, clause (a) are effective the day after final enactment. Section 13 is effective for assessments made in 1984 and thereafter for taxes payable in 1985 and thereafter. Section 17 is effective for settlements made after July 1, 1983. Sections 21, 30, 37, 38, 39, 40, and 41 are effective August 1, 1983. Section 22 is effective for estates of decedents dying after December 31, 1982. Sections 23, 24, 25, 26, 27, 28, and 45, clause (b) are effective for estates of decedents dying on or after July 1, 1983. Section 29 is effective January 1, 1983. Section 43 is effective for plats filed after July 1, 1983. Section 44 is effective after approval by the city council of the city of Minneapolis on the day after compliance with Minnesota Statutes, section 645.021, subdivision 3."

Delete the title and insert:

"A bill for an act relating to taxation; increasing the amount of reduced valuations required to be maintained as public record; allowing the commissioner discretion in apportioning levies; increasing the amount of reduction in valuation requiring an opportunity for hearing; clarifying the definition of real property for ad valorem purposes; classifying farm rental value data; allowing county auditors to combine legal descriptions over section lines; excluding certain corporations from receiving agricultural property tax valuation; providing for continued deferred assessment of open space property after certain sales; providing for the assessment of certain class 3 property based upon its use; requiring publication of certain requirements for obtaining a homestead after the assessment date; providing for split classification of certain homestead property; removing special taxing districts from levy limits; allowing counties to charge for dishonored checks; allowing the rounding of tax amounts on tax statements; allowing the use of the previous year's mill rate in certain cases when distributing delinquent tax proceeds; changing the date for filing list of delinquent personal property taxes; extending application of the alternate sale procedure; increasing the fee for lost deeds; changing the process for distributing

mortgage registration tax proceeds; updating to the Internal Revenue Code for purposes of the estate tax; requiring filing of an amended estate tax return in certain situations; clarifying the date interest accrues on estate tax amounts due; providing for department action following the filing of an amended return; requiring state's share of federal credit to not be less than state's share of the estate; changing the requirement for filing a declaration of estimated gross earnings tax; imposing a penalty for failure to pay estimated gross earnings tax; extending the time allowed to claim gasoline or special fuel tax refunds; changing the requirements relating to distribution of free samples of cigarettes; imposing a penalty for failure to pay the tax on wines and spirituous liquors; conforming penalties for nonpayment of tax on beer to penalties imposed on other taxes; requiring payment of current taxes before a plat is recorded; delaying implementation of the assessment penalty; increasing the fee for issuance of a petroleum products distributors license; increasing the fee for issuance of special fuel dealers or bulk purchasers licenses; increasing the fee for issuance of a motor carrier license; increasing the fee for issuance of a temporary trip permit; allowing the city of Minneapolis to temporarily exempt certain property from taxation; amending Minnesota Statutes 1982, sections 270.10, subdivisions 1 and 3; 270.12, subdivision 3; 270.19; 272.03, subdivision 1; 272.46, subdivision 2; 273.11, subdivision 7; 273.111, subdivision 3; 273.112, subdivision 7, and by adding a subdivision; 273.13, subdivisions 4 and 16, and by adding a subdivision; 275.50, subdivision 2; 276.02; 276.04; 276.10; 277.02; 282.01, subdivision 7a; 282.33, subdivision 1; 287.08; 291.005, subdivision 1; 291.03, subdivision 1; 291.07, subdivision 1; 291.09, subdivision 3a; 291.131, subdivision 6; 291.132, subdivision 1; 291.215, subdivision 3; 295.365; 295.366, subdivision 1; 290.06, subdivision 2; 296.12, subdivisions 1 and 2; 296.17, subdivisions 3, 10, and 17; 297.03, subdivision 10; 340.485, subdivision 1, and by adding subdivisions; 340.492; 477A.04, subdivision 2; 505.04; repealing Minnesota Statutes 1982, sections 272.022; 272.023; 272.024; 273.13, subdivision 18; 273.23; 273.24; 273.28; 273.29; 273.30; 273.31; 273.34; 273.44; 273.45; 273.52; 288.01; 288.02; 288.03; 288.04; 288.05; 291.07, subdivision 3; and 473F.04."

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

Senate Conferees: (Signed) Lawrence J. Pogemiller, Gene Merriam

House Conferees: (Signed) Linda Scheid, Tom Osthoff, William Schreiber

Mr. Pogemiller moved that the foregoing recommendations and Conference Committee Report on S.F. No. 267 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. 267 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 48 and nays 6, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Olson	Solon
Anderson	Diessner	Kroening	Pehler	Spear
Belanger	Frank	Laidig	Peterson, D.C.	Storm
Berg	Freeman	Lessard	Pogemiller	Stumpf
Bernhagen	Hughes	Luther	Purceerst	Ulland
Bertram	Isackson	McQuaid	Ramstad	Vega
Chmielewski	Johnson, D.E.	Mehrrens	Reichgott	Wegscheid
Dahl	Johnson, D.J.	Moe, D. M.	Renneke	Willet
Davis	Jude	Moe, R. D.	Samuelson	
DeCramer	Knaak	Novak	Schmitz	

Those who voted in the negative were:

Benson	Frederickson	Kamrath	Kronebusch	Peterson, D.L.
Frederick				

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Pogemiller moved that H.F. No. 870 and the Conference Committee report thereon be taken from the table. The motion prevailed.

CONFERENCE COMMITTEE REPORT ON H.F. NO. 870

A bill for an act relating to state government; authorizing the commissioner of the department of economic security to adopt permanent or temporary rules; proposing new law coded in Minnesota Statutes, chapter 268; repealing Minnesota Statutes 1982, section 268.12, subdivision 3.

May 13, 1983

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H.F. No. 870, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 870 be amended as follows:

Page 1, line 11, delete "*permanent or temporary*"

Page 1, line 11, after "*rules*" insert "*, including temporary rules, in accordance with chapter 14,*"

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

House Conferees: (Signed) Peter Rodosovich, John T. Clawson, Steve Sviggum

Senate Conferees: (Signed) Lawrence J. Pogemiller, Gene Merriam, William V. Belanger, Jr.

Mr. Pogemiller moved that the foregoing recommendations and Conference Committee Report on H.F. No. 870 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.

H.F. No. 870 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 53 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Pehler	Schmitz
Anderson	Diessner	Kroening	Peterson, C.C.	Solon
Belanger	Frank	Kronebusch	Peterson, D.C.	Storm
Benson	Frederick	Laidig	Peterson, D.L.	Stumpf
Berg	Frederickson	Langseth	Petty	Ulland
Bernhagen	Hughes	Luther	Pogemiller	Vega
Bertram	Isackson	McQuaid	Purfeerst	Waldorf
Chmielewski	Johnson, D.E.	Mehrrens	Ramstad	Wegscheid
Dahl	Johnson, D.J.	Moe, D. M.	Reichgott	Willet
Davis	Jude	Moe, R. D.	Renneke	
DeCramer	Kamrath	Novak	Samuelson	

So the bill, as amended by the Conference Committee, was repassed 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 16, 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 "1,000"

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 prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 238 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 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Novak	Schmitz
Anderson	Dicklich	Knutson	Olson	Solon
Belanger	Diessner	Kroening	Pehler	Storm
Benson	Dieterich	Kronebusch	Peterson, C.C.	Stumpf
Berg	Frank	Laidig	Peterson, D.C.	Ulland
Berglin	Frederick	Langseth	Peterson, D.L.	Vega
Bernhagen	Frederickson	Lessard	Petty	Waldorf
Bertram	Hughes	Luther	Pogemiller	Wegscheid
Brataas	Isackson	McQuaid	Ramstad	Willet
Chmielewski	Johnson, D.E.	Mehrkins	Reichgott	
Dahl	Johnson, D.J.	Moe, D. M.	Renneke	
Davis	Jude	Moe, R. D.	Samuelson	

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

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Kamrath, Benson, Isackson, Renneke and Anderson introduced—

S.F. No. 1268: A resolution memorializing the President and Congress of the United States to adopt a national policy of peace through strength.

Referred to the Committee on Rules and Administration.

Messrs. Pehler; Johnson, D.E.; Peterson, R.W.; Stumpf and Mehrkens introduced—

S.F. No. 1269: A bill for an act relating to education; changing the secondary vocational education categorical aid program to a general aid program; amending Minnesota Statutes 1982, section 124.155, subdivision 2, as amended; proposing new law coded in Minnesota Statutes, chapter 124; repealing Minnesota Statutes 1982, sections 124.573 and 124.574.

Referred to the Committee on Education.

Mr. Benson and Mrs. Kronebusch introduced—

S.F. No. 1270: A bill for an act relating to state government; regulating mandates to local units of government; proposing new law coded as Minnesota Statutes, chapter 256F.

Referred to the Committee on Governmental Operations.

Mr. Solon introduced—

S.F. No. 1271: A bill for an act relating to retirement; Duluth firefighters; computation of units for retirement and survivor benefit purposes; amending Laws 1965, chapter 179, section 1, as amended.

Referred to the Committee on Governmental Operations.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Petty moved that his name be stricken as a co-author to S.F. No. 283. The motion prevailed.

Mr. Solon moved that S.F. No. 616 be taken from the table. The motion prevailed.

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

CONCURRENCE AND REPASSAGE

Mr. Solon moved that the Senate concur in the amendments by the House to S.F. No. 616 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 616 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill, as amended, was repassed 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:

H.F. No. 553: Messrs. Hughes, Storm and Ms. Peterson, D.C.

H.F. No. 435: Messrs. Peterson, R.W.; Spear; Johnson, D.E.; Ms. Reichgott and Mr. Petty.

S.F. No. 1008: Mr. Freeman, Ms. Reichgott and Mr. Sieloff.

H.F. No. 289: Messrs. Dieterich, Sieloff and Ms. Peterson, D.C.

S.F. No. 159: Messrs. Samuelson, Dahl and Anderson.

S.F. No. 218: Messrs. Freeman, Merriam and Sieloff.

S.F. No. 545: Ms. Berglin, Mr. Storm and Ms. Reichgott.

S.F. No. 591: Mr. Petty, Mrs. Lantry and Mr. Renneke.

S.F. No. 87: Messrs. Petty, Spear and Laidig.

S.F. No. 964: Messrs. Petty; Peterson, R.W. and Knaak.

S.F. No. 455: Messrs. Petty; Peterson, R.W. and Knutson.

S.F. No. 889: Messrs. Kroening, Freeman and Kamrath.

H.F. No. 652: Messrs. Peterson, C.C.; Renneke; Peterson, R.W.; Frederickson and Moe, D.M.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Dahl moved that S.F. No. 338 be taken from the table. The motion

prevailed.

S.F. No. 338: A bill for an act relating to motor vehicles; maintaining the maximum interest rate on certain loans under the Motor Vehicle Retail Installment Sales Act at the current rate; amending Minnesota Statutes 1982, section 168.72, subdivision 2.

Mr. Dahl moved that the Senate concur in the amendments by the House to S.F. No. 338 and that the bill be placed on its repassage.

Mr. Dieterich moved that the Senate do not concur in the amendments by the House to S.F. No. 338, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House.

The question was taken on the adoption of the motion of Mr. Dieterich.

The roll was called, and there were yeas 32 and nays 18, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kamrath	Merriam	Schmitz
Anderson	Dieterich	Knutson	Moe, D. M.	Storm
Benson	Frederick	Kroening	Novak	Ulland
Berg	Frederickson	Kronebusch	Olson	Waldorf
Berglin	Isackson	Lantry	Peterson, C.C.	
Bernhagen	Johnson, D.E.	McQuaid	Ramstad	
Chmielewski	Jude	Mehrkens	Renneke	

Those who voted in the negative were:

Bertram	Dicklich	Luther	Petty	Wegscheid
Dahl	Frank	Moe, R. D.	Pogemiller	Willet
Davis	Hughes	Pehler	Stumpf	
DeCramer	Johnson, D.J.	Peterson, D.C.	Vega	

The motion prevailed.

Mr. Vega moved that H.F. No. 751 be taken from the table. The motion prevailed.

H.F. No. 751: A bill for an act relating to energy; simplifying hydropower lease procedures; amending Minnesota Statutes 1982, sections 105.482, subdivisions 8 and 9; 272.02, by adding a subdivision; 273.19, by adding a subdivision; and 295.44, subdivision 1; repealing Minnesota Statutes 1982, section 295.44, subdivisions 2, 3, and 4.

Mr. Vega moved that H.F. No. 751 be referred to the Committee on Energy and Housing. The motion prevailed.

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

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.

Mr. Frederickson moved to amend S.F. No. 1097 as follows:

Page 4, line 35, delete "it" and insert "the licensee"

The motion prevailed. So the amendment was adopted.

S.F. No. 1097 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 50 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Jude	Luther	Samuelson
Anderson	Dicklich	Kamrath	McQuaid	Schmitz
Belanger	Diessner	Knaak	Mehrkens	Sieloff
Benson	Frank	Knutson	Nelson	Storm
Berg	Frederick	Kroening	Olson	Stumpf
Bernhagen	Frederickson	Kronebusch	Pehler	Taylor
Bertram	Freeman	Laidig	Peterson, D.C.	Ulland
Brataas	Hughes	Langseth	Peterson, D.L.	Waldorf
Dahl	Isackson	Lantry	Purfeerst	Wegscheid
Davis	Johnson, D.E.	Lessard	Ramstad	Willet

Messrs. Merriam and Renneke voted in the negative.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that H.F. No. 1310 be taken from the table. The motion prevailed.

H.F. No. 1310: A bill for an act relating to capital improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, chapter 16.

CALL OF THE SENATE

Mr. Willet imposed a call of the Senate for the balance of the proceedings on H.F. No. 1310. The Sergeant at Arms was instructed to bring in the absent members.

H.F. No. 1310 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 45 and nays 20, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Laidig	Pehler	Schmitz
Berg	Frederick	Langseth	Peterson, C.C.	Solon
Berglin	Frederickson	Lantry	Peterson, D.C.	Spear
Bernhagen	Freeman	Lessard	Peterson, R.W.	Stumpf
Bertram	Hughes	Luther	Petty	Taylor
Chmielewski	Johnson, D.J.	Merriam	Pogemiller	Vega
Dahl	Knutson	Moe, R. D.	Reichgott	Waldorf
DeCramer	Kroening	Nelson	Renneke	Wegscheid
Dicklich	Kronebusch	Novak	Samuelson	Willet

Those who voted in the negative were:

Anderson	Davis	Johnson, D.E.	McQuaid	Ramstad
Belanger	Dieterich	Jude	Mehrrens	Sieloff
Benson	Frank	Kamrath	Moe, D. M.	Storm
Brataas	Isackson	Knaak	Peterson, D.L.	Ulland

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that S.F. No. 1254, No. 47 on Special Orders, be stricken and laid on the table. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Peterson, R.W. moved that the following members be excused for a Conference Committee on H.F. No. 435:

Mr. Spear, Ms. Reichgott, Messrs. Petty; Johnson, D.E. and Peterson, R.W. The motion prevailed.

SPECIAL ORDER

H.F. No. 257: A bill for an act relating to motor vehicles; providing for special license plates for certain motor vehicles owned by certain members of the Minnesota national guard; imposing fees; amending Minnesota Statutes 1982, section 168.12, by adding a subdivision.

Mrs. Adkins moved that the amendment made to H.F. No. 257 by the Committee on Rules and Administration in the report adopted May 17, 1983, pursuant to Rule 49, be stricken. The motion did not prevail.

H.F. No. 257 was then progressed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Schmitz moved that S.F. No. 949, No. 44 on Special Orders, be stricken and returned to its author. The motion prevailed.

Mr. Willet moved that H.F. No. 1059 be taken from the table. The motion prevailed.

H.F. No. 1059: A resolution memorializing the President and Congress of the United States to take immediate steps to curb the sources of acid rain.

SUSPENSION OF RULES

Mr. Willet 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. 1059 and that the rules of the Senate be so far suspended as to give H.F. No. 1059 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 1059 was read the second time.

H.F. No. 1059 was read the third time and placed on its final passage.

The question was taken on the passage of the resolution.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, D. M.	Sieloff
Belanger	Diessner	Knutson	Moe, R. D.	Storm
Benson	Frank	Kroening	Olson	Stumpf
Berg	Frederick	Kronebusch	Pehler	Ulland
Bernhagen	Frederickson	Langseth	Peterson, D.C.	Waldorf
Bertram	Freeman	Lantry	Peterson, D.L.	Wegscheid
Brataas	Hughes	Lessard	Pogemiller	Willet
Chmielewski	Isackson	Luther	Purfeerst	
Dahl	Johnson, D.E.	McQuaid	Ramstad	
Davis	Jude	Mehrrens	Renneke	
DeCramer	Kamrath	Merriam	Schmitz	

So the resolution passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 744: A bill for an act relating to motor vehicles; providing for special, free license plates for recipients of the congressional medal of honor; proposing new law coded in Minnesota Statutes, chapter 168.

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 48 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Jude	Mehrrens	Samuelson
Belanger	Dicklich	Kamrath	Merriam	Schmitz
Benson	Diessner	Knaak	Moe, R. D.	Sieloff
Berg	Frank	Knutson	Olson	Stumpf
Bernhagen	Frederick	Kroening	Pehler	Taylor
Bertram	Frederickson	Kronebusch	Peterson, D.C.	Waldorf
Brataas	Freeman	Lantry	Pogemiller	Wegscheid
Chmielewski	Hughes	Lessard	Purfeerst	Willet
Dahl	Isackson	Luther	Ramstad	
Davis	Johnson, D.E.	McQuaid	Renneke	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1106: A bill for an act relating to insurance; correcting certain errors; removing certain deficiencies and ambiguities; correcting certain omissions; expanding certain insurers' investment authority; providing standards for application or reporting requirements; authorizing the commissioner to adopt rules; providing for miscellaneous changes and clarifi-

cations; amending Minnesota Statutes 1982, sections 60A.11, subdivisions 9, 10, 14, 18, 20, 21, 23, and 24; 60A.111, subdivision 2, and by adding subdivisions; 61A.28, subdivisions 3, 6, and 12; 61A.29, subdivision 2; 61A.31, subdivision 3; repealing Minnesota Statutes 1982, section 60A.111, subdivision 4.

Mr. Luther moved to amend H.F. No. 1106 as follows:

Page 23, after line 11, insert:

"Sec. 17. Minnesota Statutes 1982, section 62A.32, is amended to read:

62A.32 [MEDICARE SUPPLEMENT 1 + ; COVERAGE.]

Medicare supplement 1 + must have a level of coverage so that it will be certified as a qualified plan pursuant to chapter 62E, and will provide:

(a) Coverage of part A medicare eligible expenses for hospitalization to the extent not covered by medicare to at least 50 percent of the deductible and co-payment required under medicare for the first 60 days of any medicare benefit period;

(b) Coverage of part A medicare eligible expenses for hospitalization to the extent not covered by medicare from the 61st day through the 90th day in any medicare benefit period;

(c) Coverage of part A medicare eligible expenses incurred as daily hospital charges during use of medicare's lifetime hospital inpatient reserve days to the extent not covered by medicare;

(d) Upon exhaustion of all medicare hospital inpatient coverage including the lifetime reserve days, coverage of 90 percent of all medicare part A eligible expenses for hospitalization not covered by medicare subject to a lifetime maximum benefit of an additional 365 days;

(e) Coverage of 20 percent of the amount of medicare eligible expenses under part B regardless of hospital confinement and coverage of ~~at least 50~~ 100 percent of the medicare calendar year part B deductible;

(f) 80 percent of charges for covered services described in section 62E.06, subdivision 1, which charges are not paid by medicare or pursuant to paragraphs (a) to (e); and

(g) ~~Shall include~~ A limitation of \$1,000 per person on total annual out-of-pocket expenses for the covered services. The coverage must be subject to a maximum lifetime benefit of not less than \$100,000."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, after the semicolon, insert "62A.32;"

The motion prevailed. So the amendment was adopted.

H.F. No. 1106 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 45 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Jude	Lessard	Samuelson
Anderson	DeCramer	Kamrath	Luther	Schmitz
Belanger	Frank	Knaak	Merriam	Sieloff
Benson	Frederick	Knutson	Olson	Storm
Bernhagen	Frederickson	Kroening	Pehler	Stumpf
Bertram	Freeman	Kronebusch	Peterson, D.C.	Vega
Brataas	Hughes	Laidig	Pogemiller	Waldorf
Chmielewski	Isackson	Langseth	Ramstad	Wegscheid
Dahl	Johnson, D.E.	Lantry	Renneke	Willet

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that S.F. No. 320 be withdrawn from the Committee on Finance, given a second reading and placed on Special Orders. The motion prevailed.

S.F. No. 320 was read the second time.

Mr. Willet moved that S.F. No. 620 be withdrawn from the Committee on Finance, given a second reading and placed on Special Orders. The motion prevailed.

S.F. No. 620 was read the second time.

Mr. Stumpf moved that S.F. No. 486, No. 45 on Special Orders, be stricken and re-referred to the Committee on Agriculture and Natural Resources. The motion prevailed.

Mr. Langseth moved that S.F. No. 1031, No. 43 on Special Orders, be stricken and returned to its author. The motion prevailed.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 4:00 p.m. The motion prevailed.

The hour of 4:00 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Purfeerst moved that the following members be excused for a Conference Committee on H.F. No. 77 from 1:00 to 2:00 p.m.:

Messrs. Purfeerst, Frank, Lessard, Knaak and Spear. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Knaak moved that the following members be

excused for a Conference Committee on S.F. No. 61 from 2:00 to 3:30 p.m.:

Messrs. Knaak, Luther and Pogemiller. The motion prevailed.

SPECIAL ORDER

S.F. No. 628: A bill for an act relating to agriculture; providing for the prevention of economic waste in the marketing of certain agricultural crops produced in Minnesota by establishing minimum prices; providing for supply management and orderly marketing, administration, and enforcement; imposing a penalty; proposing new law coded in Minnesota Statutes, chapter 17.

Mr. Davis moved to amend S.F. No. 628 as follows:

Page 5, line 31, delete "establish" and insert "include establishment of"

The motion prevailed. So the amendment was adopted.

Mr. Davis then moved to amend S.F. No. 628 as follows:

Page 2, line 32, delete "7" and insert "8"

Page 5, line 29, after the comma, insert "and with the council on agricultural commodity pricing,"

Page 9, after line 21, insert:

"Sec. 8. [17.709] [COUNCIL ON AGRICULTURAL COMMODITY PRICING.]

The council on agricultural commodity pricing is created and shall consist of four members of the senate appointed by the senate committee on rules and administration, four members of the house of representatives appointed by the speaker of the house, and four residents of the state appointed by the commissioner representing farm organizations with a diverse, statewide membership of producers of agricultural commodities. Legislative members shall be appointed at the commencement of the first year of each regular session for a two year term beginning on January 16 of that year. Vacancies may be filled in the same manner as the original appointment. One member from each house of the legislature shall be a minority member of that body. The provisions of section 15.059, subdivisions 2, 3, and 4, apply to the nonlegislative members of the council. The council may elect a chairman from among its members.

The council shall review and make recommendations concerning the implementation of sections 2 to 7, advise the commissioner of agriculture concerning agricultural commodity pricing and marketing, and submit any recommended legislative changes to the appropriate standing committees of the legislature. The council shall provide a forum for advice and comment from a broad spectrum of individuals and organizations involved in agriculture."

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

Mr. Bertram moved to amend S.F. No. 628 as follows:

Page 6, line 2, after the period, insert "The commissioner shall consider

the impact that procedures adopted under this section may have on producers of livestock."

The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

Mr. Davis imposed a call of the Senate for the balance of the proceedings on S.F. No. 628. The Sergeant at Arms was instructed to bring in the absent members.

S.F. No. 628 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 36 and nays 28, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

SPECIAL ORDER

H.F. No. 916: A bill for an act relating to economic development; creating a preference for Minnesota residents in the awarding of public contracts; creating a preference for Minnesota labor and materials; proposing new law coded in Minnesota Statutes, chapter 16.

Mr. Vega moved that the amendment made to H.F. No. 916 by the Committee on Rules and Administration in the report adopted May 10, 1983, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Benson moved to amend H.F. No. 916 as follows:

Page 1, line 16, after "*board*," insert "*and*"

Page 1, line 17, delete "*, and all municipalities*"

CALL OF THE SENATE

Mr. Vega imposed a call of the Senate for the balance of the proceedings

on H.F. No. 916. The Sergeant at Arms was instructed to bring in the absent members.

The question recurred on the Benson amendment.

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

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

Those who voted in the affirmative were:

Anderson	Frederick	Kronebusch	Moe, D. M.	Spear
Belanger	Frederickson	Laidig	Olson	Storm
Benson	Isackson	Langseth	Peterson, D.L.	Stumpf
Berg	Johnson, D.E.	Lessard	Ramstad	Taylor
Bernhagen	Kamrath	McQuaid	Renneke	Ulland
Bertram	Knaak	Mehrkens	Schmitz	Vega
Dieterich	Knutson	Merriam	Sieloff	Waldorf

Those who voted in the negative were:

Adkins	Diessner	Kroening	Peterson, C.C.	Samuelson
Berglin	Frank	Lantry	Peterson, D.C.	Wegscheid
Dahl	Freeman	Luther	Peterson, R.W.	Willet
Davis	Hughes	Nelson	Petty	
DeCramer	Johnson, D.J.	Novak	Pogemiller	
Dicklich	Jude	Pehler	Reichgott	

The motion prevailed. So the amendment was adopted.

Mr. Vega moved that H.F. No. 916 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mrs. Lantry moved that S.F. No. 699 be taken from the table. The motion prevailed.

S.F. No. 699: A bill for an act relating to highway traffic regulations; regulating the use of materials on the windshields, side windows, and rear windows of motor vehicles; amending Minnesota Statutes 1982, section 169.71, by adding a subdivision.

Mrs. Lantry moved that the Senate do not concur in the amendments by the House to S.F. No. 699, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

RECONSIDERATION

Having voted on the prevailing side, Mrs. Lantry moved that the vote whereby the motion to not concur in the amendments by the House to S.F.No. 699 and appoint a Conference Committee passed on May 19, 1983, be now reconsidered. The motion prevailed.

Mrs. Lantry withdrew her motion to appoint a Conference Committee.

CONCURRENCE AND REPASSAGE

Mrs. Lantry moved that the Senate concur in the amendments by the

House to S.F. No. 699 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 699 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 41 and nays 15, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Peterson, D.C.	Taylor
Anderson	Frank	Laidig	Petty	Ulland
Belanger	Freeman	Langseth	Reichgott	Vega
Berglin	Hughes	Lantry	Samuelson	Waldorf
Bertram	Isackson	Lessard	Schmitz	Willet
Dahl	Johnson, D.E.	Luther	Sieloff	
Davis	Jude	McQuaid	Spear	
DeCramer	Knaak	Olson	Storm	
Dicklich	Kroening	Pehler	Stumpf	

Those who voted in the negative were:

Benson	Frederick	Knutson	Moe, D. M.	Pogemiller
Berg	Frederickson	Mehrkens	Moe, R. D.	Ramstad
Bernhagen	Kamrath	Merriam	Peterson, D.L.	Renneke

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Order of Business of Reports of Committees and Second Reading of House Bills. The motion prevailed.

REPORTS OF COMMITTEES

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

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

H.F. No. 274: A bill for an act relating to the legislature; providing for the majority leader of the senate rather than the president of the senate to serve as chairman of the legislative coordinating commission; changing the term of the chairman of the commission from one year to two years; amending Minnesota Statutes 1982, section 3.303, subdivision 3.

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 79.251, is amended to read:

79.251 [ADMINISTRATION OF ASSIGNED RISK PLAN.]

Subdivision 1. [ASSIGNED RISK PLAN REVIEW BOARD.] (1) An assigned risk plan review board is created for the purposes of review of the operation of sections ~~79.24 to 79.27 2 and 79.251~~. The board shall have all the usual powers and authorities necessary for the discharge of its duties

under this section and may contract with individuals in discharge of those duties.

(2) The board shall consist of ~~five~~ *six* members to be appointed by the commissioner of insurance. ~~Two~~ *Three* members shall be insureds holding policies or contracts of coverage issued pursuant to ~~section 79.25 subdivision 4~~. Two members shall be ~~members of the association~~ *insurers licensed pursuant to section 60A.06, subdivision 1, clause (5), paragraph (b)*. The commissioner shall be the ~~fifth~~ *sixth* member and shall vote.

Initial appointments shall be made by September 1, 1981, and terms shall be for three years duration. Removal, the filling of vacancies and compensation of the members other than the commissioner shall be as provided in section 15.059.

(3) The assigned risk *plan* review board shall audit the reserves established ~~by insurers~~ (a) for individual cases arising under policies and contracts of coverage issued under ~~section 79.25 subdivision 4~~ and (b) for the total book of business issued under ~~section 79.25 subdivision 4~~.

(4) The assigned risk *plan* review board shall monitor the operations of sections ~~79.24 to 79.27 2 and 79.251~~ and shall periodically make recommendations to the commissioner, and to the governor and legislature when appropriate, for improvement in the operation of those sections.

(5) All ~~members of the association~~ *insurers and self-insurance administrators* issuing policies or contracts under ~~section 79.25 subdivision 4~~ shall pay and the commissioner shall receive and disburse, on behalf of the board, a .25 percent assessment on premiums for policies and contracts of coverage issued under ~~section 79.25 subdivision 4~~ for the purpose of defraying the costs of the assigned risk *plan* review board.

(6) *The assigned risk plan and the assigned risk plan review board shall not be deemed a state agency.*

Subd. 2. [APPROPRIATE MERIT RATING PLAN.] The commissioner shall develop an appropriate merit rating plan which shall be applicable to all insureds holding policies or contracts of coverage issued pursuant to ~~section 79.25 whose premium is less than the amount necessary to qualify for experience rating subdivision 4~~ and to the insurers or self-insurance administrators issuing those policies or contracts. The plan shall provide a maximum merit ~~payment adjustment~~ equal to ten percent of earned premium. The actual ~~payment adjustment~~ may vary with insured's loss experience.

Subd. 3. [RATES.] *Insureds served by the assigned risk plan shall be charged premiums based upon a rating plan, including a merit rating plan adopted by the commissioner by rule. The commissioner shall annually, not later than January 1 of each year, establish the schedule of rates applicable to assigned risk plan business. Assigned risk premiums shall not be lower than rates generally charged by insurers for the business. The commissioner shall fix the compensation received by the agent of record. The establishment of the assigned risk plan rates and agent fees are not subject to chapter 14.*

Subd. 4. [ADMINISTRATION.] *The commissioner shall enter into service contracts as necessary or beneficial for accomplishing the purposes of the assigned risk plan. Services related to the administration of policies or con-*

tracts of coverage shall be performed by one or more qualified insurance companies licensed pursuant to section 60A.06, subdivision 1, clause (5), paragraph (b), or self-insurance administrators licensed pursuant to section 176.181, subdivision 2, clause (2), paragraph (a). A qualified insurer or self-insurance administrator shall possess sufficient financial, professional, administrative, and personnel resources to provide the services contemplated in the contract. Services related to assignments, data management, assessment collection, and other services shall be performed by a licensed data service organization. The cost of those services is an obligation of the assigned risk plan.

Subd. 5. [ASSESSMENTS.] The commissioner shall assess all insurers licensed pursuant to section 60A.06, subdivision 1, clause (5), paragraph (b) an amount sufficient to fully fund the obligations of the assigned risk plan, if the commissioner determines that the assets of the assigned risk plan are insufficient to meet its obligations. The assessment of each insurer shall be in a proportion equal to the proportion which the amount of compensation insurance written in this state during the preceding calendar year by that insurer bears to the total compensation insurance written in this state during the preceding calendar year by all licensed insurers.

Sec. 2. [79.252] [ASSIGNED RISK PLAN.]

Subdivision 1. [PURPOSE.] The purpose of the assigned risk plan is to provide workers' compensation coverage to employers rejected by a licensed insurance company, pursuant to subdivision 2.

Subd. 2. [REJECTED RISKS.] An insurer that refuses to write insurance for an employer shall furnish the employer a written notice of refusal. The employer shall file a copy of the notice of refusal with the data service organization under contract with the commissioner pursuant to section 79.251, subdivision 4.

Subd. 3. [COVERAGE.] Policies and contracts of coverage issued pursuant to section 79.251, subdivision 4, shall contain the usual and customary provisions of workers' compensation insurance policies, and shall be deemed to meet the mandatory workers' compensation insurance requirements of section 176.181, subdivision 2.

Subd. 4. [RESPONSIBILITIES.] Assigned risk policies and contracts of coverage shall be subject to premium tax pursuant to section 60A.15, and special compensation fund assessments pursuant to section 176.131, subdivision 10. The assigned risk plan shall be a member of the reinsurance association for the purposes of sections 79.34 to 79.40 and shall be deemed to have selected the higher retention limit provided in section 79.34, subdivision 2.

Subd. 5. [RULES.] The commissioner may adopt rules, including temporary rules, as may be necessary to implement sections 2 and 79.251.

Sec. 3. [REPEALER.]

Minnesota Statutes 1982, section 79.63, is repealed.

Sec. 4. [EFFECTIVE DATE.]

This act is effective July 1, 1983."

Delete the title and insert:

“A bill for an act relating to workers’ compensation; regulating the assigned risk plan; amending Minnesota Statutes 1982, section 79.251; proposing new law coded in Minnesota Statutes, chapter 79; repealing Minnesota Statutes 1982, section 79.63.”

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

SECOND READING OF HOUSE BILLS

H.F. No. 274 was read the second time.

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. 338: Messrs. Dahl, Petty and Isackson.

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

MEMBERS EXCUSED

Mr. Berg was excused from the Session of today from 12:00 noon to 1:00 p.m. Mr. Frederick was excused from the Session of today from 12:00 noon to 12:30 p.m. Mrs. Kronebusch was excused from the Session of today from 12:30 to 1:00 p.m. Messrs. Knaak and Pogemiller were excused from the Session of today from 1:30 to 2:00 p.m. Ms. Reichgott was excused from the Session of today from 2:00 to 6:00 p.m. Mr. Dieterich was excused from the Session of today from 2:10 to 4:00 p.m. Messrs. Johnson, D.J.; Peterson, C.C.; Novak; Dieterich and Ms. Berglin were excused from the Session of today at 2:00 p.m. Messrs. Purfeerst and Solon were excused from the Session of today at 6:00 p.m. Mr. Wegscheid was excused from the Session of today from 4:45 to 6:20 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Friday, May 20, 1983. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate