# THIRTIETH DAY

St. Paul, Minnesota, Thursday, March 28, 1985

The Senate met at 2:00 p.m. and was called to order by the President. Prayer was offered by the Chaplain, Monsignor Terrence J. Murphy.

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

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

The President declared a quorum present.

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

# **MEMBERS EXCUSED**

Messrs. DeCramer, Kroening and Solon were excused from the Session of today. Mr.Nelson was excused from the Session of today at 3:00 p.m.

The following members were excused from today's Session for brief periods of time: Messrs. Lessard and Dahl.

## **EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communication was received and referred to the committee indicated.

March 11, 1985

### The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Minnesota Higher Education Coordinating Board are hereby respectfully submitted to the Senate for confirmation

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# 30TH DAY] THURSDAY, MARCH 28, 1985

#### as required by law:

Maureen A. Johnson, 407 N. Grant, Minneota, Lyon County, has been appointed by me, effective January 28, 1985, for a term expiring the first Monday in January, 1991.

Orrin V. Rinke, 819 N. 2nd Ave., Sauk Rapids, Benton County, has been appointed by me, effective January 28, 1985, for a term expiring the first Monday in January, 1991.

Archie D. Chelseth, 509 Chestnut St., Cloquet, Carlton County, has been appointed by me, effective January 28, 1985, for a term expiring the first Monday in January, 1989.

Mona J. Hintzman, 4018 - 58th Ave. N., Brooklyn Center, Hennepin County, has been appointed by me, effective February 11, 1985, for a term expiring the first Monday in January, 1986.

(Referred to the Committee on Education.)

Sincerely, Rudy Perpich, Governor

## MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 112, 158, 485, 521, 308, 185, 273, 274, 374, 385, 621 and 656.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 25, 1985

## FIRST READING OF HOUSE BILLS

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

H.F. No. 112: A bill for an act relating to veterans; authorizing certain American Legion officers and employees to elect state employee benefit coverage at their own expense; amending Minnesota Statutes 1984, section 43A.27, subdivision 2.

Referred to the Committee on Governmental Operations.

H.F. No. 158: A bill for an act relating to taxation; increasing the amount statutory cities and towns may levy for a public cemetery; amending Minnesota Statutes 1984, section 471.24.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 194, now on General Orders.

H.F. No. 485: A bill for an act relating to the city of Lismore; authorizing it to issue bonds for municipal facilities.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 471, now on General Orders.

H.F. No. 521: A bill for an act relating to counties; allowing counties to

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dispose of interests in land without reserving mineral rights under certain circumstances; amending Minnesota Statutes 1984, section 373.01, subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

H.F. No. 308: A bill for an act relating to intoxicating liquor; hours for Sunday sale; amending Minnesota Statutes 1984, section 340.14, subdivision 5.

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

H.F. No. 185: A bill for an act relating to utilities; prescribing membership on the public utilities commission; amending Minnesota Statutes 1984, section 216A.03, subdivision 1.

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

H.F. No. 273: A bill for an act relating to commerce; making permanent the time price differential rate on certain motor vehicles; amending Minnesota Statutes 1984, section 168.72, subdivisions 1 and 4; repealing Minnesota Statutes 1984, section 168.72, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 490, now on General Orders.

H.F. No. 274: A bill for an act relating to crimes; defining "dangerous weapon" to include flammable liquids; amending Minnesota Statutes 1984, section 609.02, subdivision 6.

Referred to the Committee on Judiciary.

H.F. No. 374: A bill for an act relating to crimes; providing that persons guilty of failing to comply with fire security measures are guilty of obstructing legal process; redefining arson in the second and third degrees and negligent fires; prescribing penalties; amending Minnesota Statutes 1984, sections 299F.08, by adding a subdivision, 609.562; 609.563; and 609.576; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Judiciary.

H.F. No. 385: A bill for an act relating to occupations and professions; providing advertising restrictions for plumbers; proposing coding for new law in Minnesota Statutes, chapter 326.

Referred to the Committee on Economic Development and Commerce.

H.F. No. 621: A bill for an act relating to mental health; revising the language of statutes concerning persons with mental illness and mental retardation and revising the language of statutes concerning state treatment facilities; amending Minnesota Statutes 1984, sections 147.021, subdivision 1; 243.55, subdivision 3; 245.072; 245.52; 245.821, subdivision 1; 245.825, subdivision 1; 246.01; 246.013; 246.014; 246.13; 246.23; 246.234; 246.41; 246.50; 246.511; 246.52; 246.53; 246.54; 246.55; 246.56; 252.025; 252.05; 252.06; 252.07; 252.09; 252.10; 252.21; 252.22; 252.23; 252.24; 252.25; 252.27; 252.275, subdivisions 1 and 7; 252.28; 252.291; 252.30; 252.31; 252.32; 253.015; 253.10; 253.19; 253.20; 253.21; 253.21; 253.25; 253.26; 256.01, subdivisions 2 and 5; 256.91; 256.93, subdivision 1; 256B.02, subdivisions 2 and 8, and by adding a subdivision; 256B.092; 256B.36; 256B.501; 256E.03, subdivision 2; 256E.06, subdivision 2a; 260.092; 260.36; 284.05; 299F.77; 447.42; 447.45; 501.27; and 517.03; proposing coding for new law in Minnesota Statutes, chapter 252.

Referred to the Committee on Health and Human Services.

H.F. No. 656: A bill for an act relating to local government; allowing for an increase in the appropriation a county may make for a county humane society in any year; authorizing the Otter Tail county board to adopt an ordinance for the control of dogs and cats; amending Minnesota Statutes 1984, section 343.11.

Referred to the Committee on Veterans and General Legislation.

# **REPORTS OF COMMITTEES**

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 438, 945, 1092, 912 and reports pertaining to appointments. The motion prevailed.

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

S.F. No. 466: A bill for an act relating to education; increasing surety bond amounts and refund amounts for private proprietary vocational schools; requiring preservation of student records by private proprietary vocational schools; clarifying review of advertising and promotional materials; requiring a study of refund policies for private and public vocational schools; clarifying and simplifying language in certain sections; amending Minnesota Statutes 1984, sections 136A.653, subdivision 1; 141.23; 141.25, subdivisions 5, 8, 9, 10, and by adding a subdivision; 141.26, subdivisions 3 and 5; 141.271, subdivisions 2, 3, 4, and 5; 141.28, subdivision 4; and 141.32; proposing coding for new law in Minnesota Statutes, chapter 141.

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

Page 1, delete section 1

Pages 2 and 3, delete sections 3 and 4

Pages 6 to 9, delete sections 8 to 14 and insert:

"Sec. 5. Minnesota Statutes 1984, section 141.26, subdivision 2, is amended to read:

Subd. 2. [APPLICATION FOR PERMIT.] (a) The application for such permit shall state the full name, address, previous employment, and such other information concerning the solicitor applicant as the commissioner may require.

(b) The application shall have attached to it a certified affidavit signed by a school official and the solicitor attesting to the fact that the applicant has been furnished a copy, has read and has knowledge of the provisions of Minnesota Statutes, Chapter 141 and Minnesota Regulations, Chapter 20 Rules, parts 3530.6500 to 3530.7800."

### Pages 10 and 11, delete section 17 and insert:

# "Sec. 8. [TASK FORCE ON PRIVATE PROPRIETARY SCHOOLS.]

Subdivision 1. There is created a task force on private proprietary schools whose purpose is to study issues and make recommendations relating to private proprietary schools.

Subd. 2. The advisory council shall consist of 11 members as follows: one member appointed by the higher education coordinating board; one member appointed by the state board of education; one member appointed by the Minnesota association of private post-secondary schools; one member appointed by the private college council; one member appointed by the governor to represent schools regulated under Minnesota Statutes, chapter 141, that are not members of the Minnesota association of private post-secondary schools; one member appointed by the governor to represent institutions registered under Minnesota Statutes, sections 136A.61 to 136A.71, that are not members of the private college council; one member appointed by the governor to represent schools regulated by Minnesota Statutes, chapter 141, and sections 136A.61 to 136A.71; and four members appointed by the governor who are knowledgeable about the areas of study. The task force shall elect a chair from its membership.

Subd. 3. The task force shall:

(1) study the appropriate agency to regulate private schools subject to Minnesota Statutes, chapter 141, and sections 136A.61 to 136A.71;

(2) study statutes and rules that apply to private schools subject to Minnesota Statutes, chapter 141, and sections 136A.61 to 136A.71, as well as other related statutes, rules, and policies;

(3) study the regulations in other states concerning the types of schools being studied; and

(4) make recommendations for any changes that may be needed to implement appropriate and equitable regulation of the various types of schools. In making the recommendations the task force may consider statutes and policies in effect for similar public institutions.

The task force study and report shall be coordinated by the higher education coordinating board.

Subd. 4. The department of education and the higher education coordinating board shall provide staff assistance and information for the task force. Compensation of task force members shall be according to Minnesota Statutes, section 15.059, subdivision 3.

Subd. 5. By February 1, 1986, the task force shall submit to the education committees of the legislature its report and recommendations. The task force shall terminate on June 30, 1986.

# Sec. 9. [APPROPRIATION ]

The sum of \$10,000 is appropriated for fiscal year 1986 from the general fund to the higher education coordinating board for the task force on private proprietary schools. The sum is available until June 30, 1986.

Sec. 10. [EFFECTIVE DATE.]

Section 8 is effective the day following final enactment."

Renumber the sections in sequence'

Delete the title and insert:

"A bill for an act relating to education; requiring preservation of student records by private proprietary vocational schools; requiring a study of private proprietary schools; creating a task force; clarifying and simplifying language; making technical changes; appropriating money; amending Minnesota Statutes 1984, sections 141.23; 141.25, subdivisions 9, 10, and by adding a subdivision; 141.26, subdivision 2; 141.28, subdivision 4; and 141.32."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 953: A bill for an act relating to economic security; providing funding for the displaced homemaker program; amending Minnesota Statutes 1984, section 517.08, subdivisions 1b and 1c.

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

Page 2, line 13, after "\$30" insert "to"

Page 2, line 14, strike "\$15" and insert "\$6.75 is appropriated to the commissioner of corrections"

Page 2, line 17, after "611A.36" insert a comma and after "and" insert "\$23.25 is appropriated to the commissioner of economic security" and strike "administering"

Page 2, line 18, strike "established by July 1, 1983," and strike "; and" and insert a period

Page 2, line 19, delete "\$15" and strike the old language

Page 2, strike lines 20 to 36

Page 3, strike lines 1 to 3

Page 3, line 3, after the period insert "The commissioner of economic security may use money appropriated in this subdivision for the administration of a displaced homemaker program regardless of the date on which the program was established."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 703: A bill for an act relating to human services; appropriating money for services to persons who are both deaf and blind.

Reports the same back with the recommendation that the bill do pass and be

re-referred to the Committee on Finance. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 989: A bill for an act relating to health; fixing liability of counties for the cost of care provided in a state hospital for mentally ill patients; amending Minnesota Statutes 1984, section 246.54.

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1085: A bill for an act relating to human services; changing and making permanent the grant program for chronically mentally ill persons; amending Minnesota Statutes 1984, section 256E.12.

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1092: A bill for an act relating to human services; establishing a new administration system for certain programs; providing for distribution of system costs; establishing a county services revolving account; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 364: A bill for an act relating to health; expanding the purposes of health care review organizations; amending Minnesota Statutes 1984, section 145.61, subdivision 5.

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

Page 2, lines 6 and 7, delete the new language

Page 2, line 17, reinstate the stricken language and delete the new language

Page 2, line 31, after the semicolon, insert "or"

Page 2, lines 32 to 36, delete the new language

Page 3, lines 1 and 2, delete the new language and insert.

"(j) Providing underwriting assistance in connection with professional liability insurance coverage applied for or obtained by dentists, or providing assistance to underwriters in evaluating claims against dentists"

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

adopted.

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

S.F. No. 656: A bill for an act relating to crimes; providing for peace officer training of persons who are employed by the commissioner of natural resources and who possess peace officer authority for the purpose of enforcing game and fish laws; providing for the financing of such training through surcharges on penalties imposed for violations of certain laws; amending Minnesota Statutes 1984, section 609.101.

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

Page I, delete section 1 and insert:

Section 1. Minnesota Statutes 1984, section 609 101, is amended to read:

# 609.101 [SURCHARGE ON FINES, ASSESSMENTS.]

(a) When a court sentences a person convicted of a felony, gross misdemeanor, or misdemeanor, other than a traffic or parking violation, and if the sentence does not include payment of a fine, the court shall impose an assessment of not less than \$20 nor more than \$40. If the sentence includes payment of a fine, *including a fine of less than \$100*, the court shall impose a surcharge on the fine of ten percent of the fine. This section applies whether or not the person is sentenced to imprisonment and when the sentence is suspended. The court may, upon a showing of indigency or undue hardship upon the convicted person or his immediate family, waive payment or authorize payment of the assessment or surcharge in installments.

(b) The court shall collect and forward the amount of the assessment or surcharge to the state treasurer to be deposited in the general fund for the purposes of providing services, assistance, or reparations or a combination, to victims of crimes through programs established under sections 611A.21 to 611A.36, under chapter 256D, and chapter 299B, except as provided in paragraph (c). If the convicted person is sentenced to imprisonment, the chief executive officer of the correctional facility in which the convicted person is incarcerated may collect the assessment or surcharge from any earnings the inmate accrues for work performed in the correctional facility and forward the amount to the state treasurer.

(c) The court must separately designate the part of the total amount of the assessment or surcharge that has been imposed in relation to violations described in section 97.49, subdivision 5. The state treasurer shall credit assessments and surcharges related to violations described in section 97.49, subdivision 5, to the game and fish fund to be used to provide peace officer training for persons employed by the commissioner of natural resources who possess peace officer authority to enforce game and fish laws.

(d) The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund under this section."

Page 2, line 26, delete "January" and insert "August"

And when so amended the bill do pass and be re-referred to the Committee

# on Finance. Amendments adopted. Report adopted.

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

S.F. No. 502: A bill for an act relating to appropriations; appropriating money for walleyed pike fingerling production and related educational documentation.

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

Delete everything after the enacting clause and insert:

# "Section 1. [APPROPRIATION.]

\$140,000 is appropriated from the general fund to the commissioner of natural resources to establish a pilot project to be administered by Operation Walleye, a nonprofit corporation, for walleye fingerling production as provided in this section. Not more than five percent of the appropriation may be spent by Operation Walleye for administrative costs. It is a condition of acceptance of this appropriation that Operation Walleye submit a work program, semiannual progress reports, and records in the form determined by the legislative commission on Minnesota resources. The commissioner shall pay Operation Walleye \$25,000 as soon as the legislative commission on Minnesota resources has approved the work program. The commissioner shall pay Operation Walleye the remaining \$115,000 on July 1, 1985. Upon request by the commission, the commissioner of natural resources shall submit an evaluation.

#### Sec. 2. [EFFECTIVE DATE.]

This act is effective the day after enactment."

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

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

S.F. No. 833: A bill for an act relating to transportation; specifying the method of payment for landscape contractors providing goods or services to the department of transportation; amending Minnesota Statutes 1984, section 161.32, by adding a subdivision.

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

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

S.F. No. 635: A bill for an act relating to advertising devices; allowing "star city" signs on interstate highways; amending Minnesota Statutes 1984, sections 173.02, subdivisions 2 and 6; and 173.13, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 173.

Reports the same back with the recommendation that the bill be amended

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as follows:

## Page 3, delete lines 12 to 14

Page 3, line 15, delete "city," and insert "star city signs"

Page 3, line 16, after the period, insert "One sign may be erected at each approach to the city within the right-of-way of an interstate or other highway that passes inside the city limits."

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

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

S.F. No. 930: A bill for an act relating to public safety; motor vehicles; clarifying penalties for failure to provide security for basic reparation benefits; defining terms; requiring certification procedure to obtain tax-exempt passenger vehicle license plates for unmarked vehicle of law enforcement agency; reducing 2,000-pound weight limitation to three-fourths ton for motor vehicles in certain situations; exempting certain returned motor vehicle registration documents from filing fee; prescribing dissemination of traffic accident information to news media; regulating format of certain license plates; increasing weight of vehicles which may be operated with class "C" driver's license; prescribing filing period for clerk of district court to forward drivers license applications and fees to department of public safety; requiring revocation of driver's license upon conviction of crime of fleeing from peace officer; expanding definition of misdemeanor for purpose of driver's license revocation; authorizing prima facie evidentiary status for certified department driver records; authorizing commissioner of public safety to promulgate school bus driver qualification rules; authorizing access to certain private vehicle tax information under certain conditions; prescribing fees; amending Minnesota Statutes 1984, sections 65B.67, subdivision 4; 168.011, subdivisions 4, 28, and 29; 168.012, subdivision 1; 168.021, subdivision 1; 168.27, subdivision 11; 168.33, subdivision 7; 169.09, subdivision 13; 169.79; 171.02, subdivision 2; 171.06, subdivision 4; 171.17; 171.21; 171.321, subdivision 2; and 297B.12.

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

Page 4, strike lines 16 to 19

Page 10, line 7, strike "or criminal" and delete "vehicular operation"

Page 10, line 8, after "vehicle" insert "or criminal vehicular operation"

Page 10, line 9, delete "or 609.487"

Page 10, lines 23 and 24, reinstate the stricken language

Page 10, lines 24 to 30, delete the new language

Page 11, delete section 14

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 17, delete everything after the semicolon

Page 1, delete lines 18 to 21

Page 1, line 22, delete everything before "authorizing"

Page 1, line 32, delete "171.21;"

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

Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 1057: A resolution memorializing the governments of the United States and Sweden that the State of Minnesota adopts the County of Kronoberg as a sister state.

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

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

S.F. No. 461: A bill for an act relating to agriculture; making certain changes in the family farm security program; amending Minnesota Statutes 1984, sections 16A.80, subdivision 2a; 41.56, subdivisions 3, 4, and 4a; 41.57, subdivisions 2 and 3; 41.59, subdivision 1; 41.61, subdivision 1; and 290.01, subdivision 20b.

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

Page 1, delete section 1.

Page 1, line 24, before "Within" insert "(a)"

Page 2, delete lines 5 to 20 and insert:

"(b) If the commissioner determines that a participant has defaulted and cannot make scheduled family farm security loan payments because of unique or temporary circumstances, the commissioner may make a loan to the participant to pay the participant's family farm security loan payments for up to two consecutive years. The loan to the participant must be:

(1) for an amount that the commissioner determines can be paid back in addition to the family farm security loan after examining the participant's cash flow projections;

(2) structured to be completely amortized within eight years; and

(3) at an interest rate of four percent below the prevailing Federal Land Bank interest rate for land purchase loans."

Page 2, lines 21, before "After" insert "(c)"

Page 4, line 10, reinstate the stricken "or" and delete the comma

Page 4, line 11, delete ", or through negotiation"

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Page 4, line 12, after "bids" insert "and upon refusal, negotiate a sale at least the price of the highest bid, if any"

Page 5, after line 31, insert:

"Sec. 6. Minnesota Statutes 1984, section 41.58, is amended by adding a subdivision to read:

Subd. 4. [RESTRUCTURING SELLER SPONSORED LOANS.] The commissioner may enter an agreement with a seller and a participant to restructure a seller sponsored loan as follows:

(1) the seller must agree to reduce the remaining balance of the loan by at least ten percent;

(2) the restructured loan must be amortized for the remaining period of the seller sponsored loan;

(3) the reduced balance is 100 percent guaranteed under subdivision 1."

Page 6, line 27, after "including" insert "loans for defaulted loan payments under section 41.56, subdivision 3, paragraph (b), and"

Page 6, line 28, delete "*advertising*," and delete "*other sales*" and insert "*sale*"

Page 6, line 33, delete "satisfy certain fixture loans" and insert "purchase United States department of agriculture commodity credit corporation loans for grain storage bins and silos"

Page 11, after line 17, insert:

"Sec. 10. [EFFECTIVE DATE.]

This act is effective the day after enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, before "amending" insert "providing for loan restructuring; extending the time for sale of defaulted property; allowing purchase of certain loans; extending the time to subtract certain loan interest from gross income;"

Page 1, line 4, delete "16A.80, subdivision 2a,"

Page 1, line 6, after "3;" insert "41,58, by adding a subdivision;"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 337: A bill for an act relating to medical assistance; providing a rate exemption for intermediate care facilities for the mentally retarded; amending Minnesota Statutes 1984, section 256B.501, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended

as follows:

# Pages 1 and 2, delete section 1 and insert:

"Section 1. Minnesota Statutes 1984, section 256B.501, is amended by adding a subdivision to read:

Subd. 3a. [BED REDUCTION.] The commissioner of human services shall establish a voluntary process to substantially convert or reduce the size of intermediate care facilities for people with mental retardation in order to promote the delivery of services in the most home-like and least restrictive setting and to meet the changing needs of people with mental retardation. The bed reduction or conversion plan shall be reviewed by the county in order to ensure alternative placements of those residents affected by voluntary decertification. Providers who voluntarily decertify beds shall work with the county to develop needed alternative services.

Priorities for bed reduction shall be given to the following facilities in order of priority:

(1) facilities with 75 or more licensed beds;

(2) facilities with from 40 to 74 licensed beds, and facilities with more than six beds serving children;

(3) facilities with from 16 to 39 licensed beds; and

(4) facilities with six beds.

Facility bed reduction or conversion plans shall be reviewed for approval based on need determination as established by the county affected and the department of human services to fulfill Public Law Number 92-603, as amended.

Notwithstanding the limits imposed by subdivision 3, any facility with a time-limited bed conversion or bed reduction plan approved by the commissioner may exceed the rate limits imposed in subdivision 3 to the extent necessary to redistribute property and operating costs affected by the reduction or conversion. Facilities with approved bed reduction or conversion plans shall submit a project cost report for the remainder of the fiscal period in which the plan is effective and projected cost reports for the first three full years of operation under the plan. The facility shall operate under interim rates for the effects of the occupancy, property, and investment per bed changes. The adjustment interim rate shall be the historical base in determining the maximum allowable rate."

Delete the title and insert:

"A bill for an act relating to human services; providing for voluntary decertification of beds in intermediate care facilities for the mentally retarded under the medical assistance programs; creating a limited exception to rate limits; amending Minnesota Statutes 1984, section 256B.501, by adding a subdivision."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 243: A bill for an act relating to health; providing for physical therapy evaluation and referral; prohibiting certain practices by physical therapists; amending Minnesota Statutes 1984, sections 148.65, subdivision 1; 148.75; and 148.76.

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 1984, section 148.65, subdivision 1, is amended to read:

Subdivision 1. [PHYSICAL THERAPY.] As used in sections 148.65 to 148.78 the term "physical therapy" means the evaluation or treatment or both of any person by the employment of physical measures and the use of therapeutic exercises and rehabilitative procedures, with or without assistive devices, for the purpose of preventing, correcting, or alleviating a physical or mental disability. Physical measures shall include but shall not be limited to heat or cold, air, light, water, electricity and sound. Physical therapy includes evaluation other than medical diagnosis, treatment planning and, treatment, documentation, performance of appropriate tests and measurement, interpretation of orders from physicians or referrals, instruction, consultative services, and supervision of supportive personnel.

Sec. 2. Minnesota Statutes 1984, section 148.75, is amended to read:

148.75 [CERTIFICATES; DENIAL, SUSPENSION, REVOCATION.]

The state board of medical examiners may refuse to grant registration to any physical therapist, or may suspend or revoke the registration of any physical therapist for any of the following grounds:

(a) Practicing as a physical therapist other than upon the order and direction of a physician licensed in this state to practice medicine;

(b) Using drugs or intoxicating liquors to an extent which affects professional competence;

(e) (b) Been convicted of a felony;

(d) (c) Conviction for violating any state or federal narcotic law;

(e) (d) Procuring, aiding or abetting a criminal abortion;

(f) (e) Registration or attempted registration by fraud or deception;

(g) (f) Conduct unbecoming a person registered as a physical therapist or conduct detrimental to the best interests of the public;

(h) (g) Gross negligence in the practice of physical therapy as a physical therapist;

(i) (h) Treating human ailments by physical therapy *treatment* except by the order or referral of a person licensed in this state to practice medicine and whose license is in good standing; or when a previous diagnosis exists indicating an ongoing condition warranting physical therapy treatment, subject to periodic review defined by Board of Medical Examiners rule;

(i) (i) Treating human ailments other than by physical therapy unless duly

licensed or registered to do so under the laws of this state;

(k) (j) Inappropriate delegation to a physical therapist assistant or inappropriate task assignment to an aide or inadequate supervision of either level of supportive personnel; and

( $\mathbf{i}$ ) (k) Treating human ailments other than by performing physical therapy procedures unless duly licensed or registered to do so under the laws of this state;

(1) Practicing as a physical therapist performing medical diagnosis, the practice of medicine as defined in section 147.10, or the practice of chiropractic as defined in section 148.01;

(m) Failure to comply with a reasonable request to obtain appropriate clearance for mental or physical conditions which would interfere with the ability to practice physical therapy, and which may be potentially harmful to patients; and

(n) Dividing fees with, or paying or promising to pay a commission or part of his or her fee to, any person who contacts the physical therapist for consultation or sends patients to the physical therapist for treatment.

A certificate of registration to practice as a physical therapist is suspended if (1) a guardian of the person of the physical therapist is appointed by order of a probate court pursuant to sections 525.54 to 525.612, for reasons other than the minority of the physical therapist; or (2) the physical therapist is committed by order of a probate court pursuant to 253B or sections 526.09 to 526.11. The certificate of registration remains suspended until the physical therapist is restored to capacity by a court and, upon petition by the physical therapist, the suspension is terminated by the board of medical examiners after a hearing.

Sec. 3. Minnesota Statutes 1984, section 148.76, is amended to read:

# 148.76 [PROHIBITED CONDUCT.]

Subdivision 1. No person shall

(a) Use the title of physical therapist without a certificate of registration as a physical therapist issued to him pursuant to the provisions of sections 148.65 to 148.78;

(b) In any manner represent himself as a physical therapist, or use in connection with his name the words or letters Physical Therapist, Physiotherapist, Physical Therapy Technician, Registered Physical Therapist, Licensed Physical Therapist, P.T., P.T.T., R.P.T., L.P.T., or any letters, words, abbreviations or insignia indicating or implying that he is a physical therapist, without a certificate of registration as a physical therapist issued to him pursuant to the provisions of sections 148.65 to 148.78. To do so is a gross misdemeanor;

(c) Employ fraud or deception in applying for or securing a certificate of registration as a physical therapist.

Nothing contained in sections 148.65 to 148.78 shall prohibit any person licensed or registered in this state under another law from carrying out the therapy or practice for which he is duly licensed or registered.

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# Subd. 2. No physical therapist shall

(a) Treat human ailments by physical therapy *treatment* except by the order and direction or referral of a person licensed in this state to practice medicine and whose license is in good standing; or when a previous diagnosis exists indicating an ongoing condition warranting physical therapy treatment, subject to periodic review defined by Board of Medical Examiners rule;

(b) Treat human ailments other than by physical therapy unless duly licensed or registered to do so under the laws of this state."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1094: A bill for an act relating to human services; changing county social service allocations; amending Minnesota Statutes 1984, sections 256E.06, subdivisions 2, 2a, 3, 5, 6, and by adding subdivisions; and 256E.09, subdivision 1; repealing Minnesota Statutes 1984, sections 256E.06, subdivision 7; and 256E.08.

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 1984, section 256D.22, is amended to read:

# 256D.22 [REIMBURSEMENT OF COUNTIES BY STATE RELATING TO PUBLIC ASSISTANCE ADMINISTRATIVE COSTS.]

Subdivision 1. For the fiscal year beginning July 1, 1985, to the extent of appropriations available therefor, the department commissioner of human services shall reimburse counties up to 50 percent of all salary expenses, approved by the commissioner, incurred and paid by the counties, for which no payment or reimbursement is made by the United States or any subdivision thereof, in administering, and salary administrative costs in providing services in connection with, all public assistance programs. No aid under this section shall be paid for salary costs of (a) single-county welfare directors; or (b) fiscal support personnel to the extent involved in the processing of public assistance claims and payments, or their supporting clerical staff; or (c) persons who are not regularly assigned employees of local agencies. Claims for reimbursement for expenditures made by the county shall be presented to the department by the respective counties at least four times per year in such manner as the commissioner shall prescribe. For the purposes of this section, the term "salary" shall include regular compensation not in excess of that paid similarly situated state employees, the employer's cost of health benefits and contributions to the appropriate retirement system, but shall not include travel or other reimbursable expenses. The commissioner shall, pursuant to the administrative procedures act, prior to making any payments, promulgate rules to implement this section.

Subd. 2. For all fiscal years beginning on or after July 1, 1986, the com-

missioner of human services shall reimburse counties up to 50 percent of all salary expenses, approved by the commissioner, incurred and paid by the counties, for which no payment or reimbursement is made by the United States or any subdivision thereof, in administering, and salary administrative costs in providing services in connection with, all public assistance programs. Reimbursement must not exceed 40 percent of the available appropriation and must be distributed according to the ratio of the eligible administrative expenses for a county to the eligible expenses incurred by all counties. The remaining appropriation must be distributed to counties according to the following formula:

(1) one-fourth to counties who, for the previous four quarters, have submitted the aid to families with dependent children summary of abstract and statistical report, the quarterly expense and revenue report, and the report of assistance for refugees, within the deadlines identified by the commissioner;

(2) one-fourth to counties who, for the previous 12 months, have placed no children in state residential facilities for a period in excess of six months;

(3) one-fourth to counties that have filed applications for supplemental security income on behalf of each client who has received general assistance payments from the county for a period in excess of 24 months; and

(4) one-fourth to counties with a ratio of total child support collections to total child support administrative costs that is equal to or greater than the statewide average of total collections to total costs for the previous fiscal year.

Subd. 3. Aid must not be paid under this section for salary costs of persons who are not regularly assigned employees of local agencies. Claims for expenditures must be presented to the commissioner by the respective counties at least four times each year in the manner prescribed by the commissioner. For purposes of this section, "salary" means regular compensation not in excess of that paid similarly situated state employees and the employer's cost of health benefits and contributions to the appropriate retirement system, but does not include travel or other reimbursable expenses.

Sec. 2. Minnesota Statutes 1984, section 256E.05, subdivision 3, is amended to read:

Subd. 3. [ADDITIONAL DUTIES.] The commissioner shall also:

(a) Provide necessary forms and instructions to the counties for plan format and information;

(b) Identify and then amend or repeal the portions of all applicable department rules which mandate counties to provide specific community social services or programs, unless state or federal law requires the commissioner to mandate a service or program. The commissioner shall be exempt from the rulemaking provisions of chapter 14 in amending or repealing rules pursuant to this clause. However, when the commissioner proposes to amend or repeal any rule under the authority granted by this clause, notice shall be provided by publication in the state register. When the commissioner proposes to amend a rule, the notice shall include that portion of the existing rule necessary to provide adequate notice of the nature of the proposed change. When the commissioner proposes to repeal an entire rule, he need only publish that 30TH DAY]

fact, giving the exact citation to the rule to be repealed. In all cases, the notice shall contain a statement indicating that interested persons may submit comment on the proposed repeal or amendment for a period of 30 days after publication of the notice. The commissioner shall take no final action until after the close of the comment period. The commissioner's actions shall not be effective until five days after the commissioner publishes notice of adoption in the state register. If the final action is the same as the action originally proposed, publication may be made by notice in the state register that the amendment and repeals have been adopted as proposed, and by citing the prior publication. If the final action differs from the action as previously proposed in the state register, the text which differs from the original proposal shall be included in the notice of adoption together with a citation to the prior state register publication. The commissioner shall provide to all county boards separate notice of all final actions which become effective under this clause, advising the boards with respect to services or programs which have now become optional, to be provided at county discretion;

(c) Provide to the chairman of each county board, in addition to notice required pursuant to sections 14.05 to 14.36, timely advance notice and a written summary of the fiscal impact of any proposed new rule or changes in existing rule which will have the effect of increasing county costs for community social services;

(d) Provide training and other support services to county boards to assist in needs assessment, planning, implementing, and monitoring social services programs in the counties;

(e) Design In cooperation with an advisory committee consisting of representatives of counties, professional groups, and advocacy organizations, develop standards for planning, monitoring, and evaluating social services provided by county boards and design and implement a method of monitoring and evaluating the social services delivered within the state, and assure to ensure compliance with applicable standards, guidelines, and the county and state social services plans;

(f) Annually publish a report on community social services which shall reflect the contents of the individual county reports. The report shall be submitted to the governor and the legislature with an evaluation of community social services and recommendations for changes needed to fully implementstate social service policies; and

(g) Request waivers from federal programs as necessary to implement sections 256E.01 to 256E.12.

Sec. 3. Minnesota Statutes 1984, section 256E.06, subdivision 2, is amended to read:

Subd. 2. [MAXIMUM FUNDING; ALLOCATION.] No county shall receive more than 130 percent of the amount received in the immediately preceding year as specified in this subdivision. If the amount allocated to any county pursuant to subdivision 1 is greater than this amount, the excess shall be reallocated to all counties in direct proportion to their initial allocations.

If the amount allocated to any county under subdivision 1 and the preceding paragraph is less than the minimum funding level of that county, its allocation must be raised to its minimum share through an equal percentage reduction applied to all other county allocations. If the state appropriation is insufficient to fund all counties at the minimum level, each county's allocation must be reduced proportionately.

Sec. 4. Minnesota Statutes 1984, section 256E.06, subdivision 2a, is amended to read:

Subd. 2a. [STATE TRANSFER OF FUNDS MINIMUM FUNDING LEVEL; STATE AIDS.] Notwithstanding subdivisions 4 and 2, for the purpose of funding training and habilitation services provided to residents of intermediate care facilities for mentally retarded persons as required under federal regulation, the commissioner is authorized to transfer on a quarterly basis to the medical assistance state account from each county's Community Social Services Act allocation an amount equal to the state share of medical assistance reimbursement for such services provided to clients for whom the county is financially responsible. Upon federal approval and state implementation of the state medical assistance plan, county boards will not be responsible for the funding of training and habilitation services as a social service to residents of intermediate care facilities for the mentally retarded. County board responsibility for training and habilitation services shall be assumed under section 256B.20. County boards continue to be responsible for funding developmental achievement center services not covered under the medical assistance program established by United States Code, title 42sections 1396 to 1396p, as amended through December 31, 1982, and shall develop contractual agreements for these services under the authority of this chapter subdivision 1, the minimum state aids for each county for community social services shall be:

(1) for the last six months of calendar year 1985, not less than 50 percent of the state money received for calendar year 1984;

(2) for calendar year 1986, not less than 100 percent of the state money received for calendar year 1985, and

(3) for the first six months of calendar year 1987, not less than 50 percent of the state money received for calendar year 1986.

Sec. 5. Minnesota Statutes 1984, section 256E.06, is amended by adding a subdivision to read:

Subd. 2b. [TRANSFER FOR DAY TRAINING AND HABILITATION.] For purposes of calculating community social service payments after July 1, 1985, "state money received" means the total community social service aids minus the amount of community social service dollars transferred to medical assistance to pay the state share of medical assistance for eligible recipients receiving day training and habilitation services.

Sec. 6. Minnesota Statutes 1984, section 256E.06, subdivision 5, is amended to read:

Subd. 5. [COMMUNITY SOCIAL SERVICE LEVY.] In each calendar year, for taxes payable the following year, a county board shall levy upon all taxable property in the county a tax for community social services at least equal to the amount determined in subdivisions 1 and 2. Money for community social services provided to a county by a municipal levy may, for the purposes of this section, be counted as partial fulfillment of the local levy requirement. All money available to counties pursuant to this section may be

used by counties to match federal money.

Sec. 7. Minnesota Statutes 1984, section 256E.06, subdivision 6, is amended to read:

Subd. 6. [FAILURE TO SPEND.] A county which has not spent the aids granted under subdivision 1 for community social services within two years of receiving those aids shall receive a reduction in aid calculated pursuant to subdivision 1. This reduction shall be made in the calendar year which begins no more than 30 months after the underspending has occurred and shall be equal to one-half the amount of aids which were not spent Each county shall spend for community social services an amount of local funds at least equal to aids granted under subdivisions 1 and 2. For this purpose, local funds means the community social services levy, fees paid for community social services, and nonpublic third-party reimbursement for community social services. A county which has not spent local funds at least equal to the aids granted under subdivisions 1 and 2 for community social service expenditures during the calendar year of the allocation, shall receive a reduction in the aids granted under subdivisions 1 and 2. The difference between the total payments made for the calendar year and the reduced aid must be deducted from the payments made in the next calendar year. The reduced aid granted under subdivisions 1 and 2 must be calculated as follows:

(a) Divide the amount of local funds spent by the amount of local funds required to be spent.

(b) Multiply the ratio arrived times the aid calculated under subdivisions 1 and 2.

Any aid not available to a county due to underspending or inappropriate expenditures shall be reallocated to all other counties according to subdivision 1 and subject to the provisions in subdivision 2.

Sec. 8. Minnesota Statutes 1984, section 256E.06, is amended by adding a subdivision to read:

Subd. 12. [AUDITS.] If an audit results in a change in a county's social services revenues or expenditures and the change affects the amount of state aids allowed under this section, the commissioner shall adjust the amount of payment in the calendar year following the audit, to reflect amounts inappropriately paid in a prior year.

Sec. 9. Minnesota Statutes 1984, section 256E.09, subdivision 1, is amended to read:

Subdivision 1. [PLAN PROPOSAL.] Commencing in 1980, and every two years thereafter, the county board shall publish and make available upon request to all residents of the county a proposed biennial community social services plan In 1986, the county board shall publish a one-year update to its 1985-1986 biennial plan, for calendar year 1987, and make it available upon request to all residents of the county. Beginning in 1987, and every two years after that, the county board shall publish and make available upon request to all residents of the county a proposed biennial community social services plan for the next two calendar years.

Sec. 10. Minnesota Statutes 1984, section 256E.09, subdivision 2, is amended to read:

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Subd. 2. [CITIZEN PARTICIPATION.] The county board shall provide opportunities for participation by citizens in the county, including representatives of users of services, in the development of the biennial plan and in the allocation of money for community social services. At least 60 days prior to publication of the proposed plan the county board shall publish the methods proposed to achieve citizen participation in the planning process. The county board shall include in the biennial plan a summary of the information, comments, and other material submitted by providers of social services and by those user groups identified in section 256E.03, subdivision 2.

Sec. 11. Minnesota Statutes 1984, section 256E.09, subdivision 3, is amended to read:

Subd. 3. [PLAN CONTENT.] The biennial community social services plan published by the county shall include:

(a) A statement of the goals of community social service programs in the county;

(b) Methods used pursuant to subdivision 2 to encourage participation of citizens and providers in the development of the plan and the allocation of money;

(c) Methods used to identify persons in need of service and the social problems to be addressed by the community social service programs, including efforts the county proposes to make in providing for early intervention, prevention and education aimed at minimizing or eliminating the need for services for groups of persons identified in section 256E.03, subdivision 2;

(d) A statement describing how the county will fulfill its responsibilities identified in section 256E.08, subdivision 1 to the groups of persons described in section 256E.03, subdivision 2, and a description of each community social service proposed and identification of the agency or person proposed to provide the service. The plan shall specify how the county proposes to make the following services available for persons identified by the county as in need of services; daytime developmental achievement services, subacute detoxification services, residential services and nonresidential social support services as appropriate for the groups identified in section 256E.03, subdivision 2;

(e) a description of the services that will be made available to persons whose income is at or below 60 percent of the state median income, including recipients of public assistance;

(e) (f) The amount of money proposed to be allocated to each service;

(f) (g) An inventory of public and private resources including associations of volunteers which are available to the county for social services;

(g) (h) Evidence that serious consideration was given to the purchase of services from private and public agencies and the criteria used to determine whether services would be purchased; and

(h) (i) Methods whereby community social service programs will be monitored and evaluated by the county; and

(j) The information from providers and users of social services required to

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be included under subdivision 2.

#### Sec. 12. [REPEALER.]

## Minnesota Statutes 1984, section 256E.06, subdivision 7, is repealed."

Delete the title and insert:

"A bill for an act relating to human services; revising methods for determining state payments to counties for administrative costs of public assistance programs; revising the community social services act; requiring the commissioner to develop standards; establishing minimum funding levels; amending Minnesota Statutes 1984, sections 256D.22; 256E.05, subdivision 3; 256E.06, subdivisions 2, 2a, 5, 6, and by adding subdivisions; and 256E.09, subdivisions 1, 2, and 3; repealing Minnesota Statutes 1984, section 256E.06, subdivision 7."

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

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

S.F. No. 660: A bill for an act relating to education; establishing a science and technology resource center; appropriating money for the technologicaleconomic development initiative at Southwest State University to establish a program dealing with food production, food processing, and food distribution and for an interactive television network among high schools in southwestern Minnesota; proposing coding for new law in Minnesota Statutes, chapter 136.

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

Page 1, after line 12, insert:

#### "Section 1. [PURPOSE.]

Southwest State University seeks to use its faculty, facility, and technical services to create new wealth and jobs in southwestern Minnesota by focusing segments of its curriculum on food, the economic base of the region. The appropriations in section 3 are for programs dealing with the local processing of food in the region. These programs offer the most promising long-term strategy for diversifying the economy, creating new jobs, and reversing the outflow of population."

Page 2, delete lines 2 to 6 and insert:

"Subd. 4. [CLIENT SELECTION AND AGREEMENTS.] Recommendations of clients for the science and technology resource center shall be made by an advisory committee comprised of representatives of business, agribusiness, and education in southwestern Minnesota. Approved clients shall enter into an agreement with the state university board on behalf of Southwest State University, in which shall be specified the term and nature of the services provided by the university and the nature and extent of the interest retained by the state university board in the product, process, or underlying work developed by the center and the client or the business developed by the center and the client, as appropriate. Subd. 5. [APPROPRIATION.] Revenue generated from royalties, patents, licenses, or interests retained by the state university board is appropriated to the state university board and shall be allocated by the board to Southwest State University for the continued operation of the science and technology resource center."

Page 2, delete section 2

Page 2, line 21, before the period, insert ", in cooperation with the area vocational technical institutes at Canby, Jackson, Granite Falls, and Pipestone and with Worthington Community College"

Page 4, line 7, delete "computervision"

Page 4, line 9, delete "Tektronic"

Page 4, delete subdivision 5.

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete everything after "distribution" and insert a semicolon

Page 1, delete line 8

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

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

S.F. No. 454: A bill for an act relating to post-secondary education; allowing financial aid for four years, not just the first four years, of undergraduate education; amending Minnesota Statutes 1984, section 136A.121, subdivision 10.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 136A.09, is amended to read:

136A.09 [STUDENT SCHOLARSHIPS, PURPOSE.]

The legislature has found finds and hereby declares that the identification of the talented young men and women of the state and the encouragement of their maximum educational development is in the best interest of the state. The state scholarship program provided for herein is designed to encourage such able and worthy students to continue their education in the eligible institutions of their own choosing and to provide financial assistance for those who would not otherwise be not able to do so.

Sec. 2. Minnesota Statutes 1984, section 136A.095, is amended to read:

136A.095 [GRANTS-IN-AID; PURPOSE.]

The legislature has found finds and hereby declares that the identification of young men and women of the state who are economically disadvantaged and

the encouragement of their educational development in eligible institutions of their choosing are in the best interests of the state and of the students.

Sec. 3. Minnesota Statutes 1984, section 136A.101, is amended to read:

### 136A.101 [DEFINITIONS.]

Subdivision 1. For purposes of sections 136A.09 to 136A.131, the terms defined in this section have the meanings ascribed to them:

Subd. 2. "Board" means the Minnesota higher education coordinating board

Subd. 3. "Director" means the executive director of the Minnesota higher education coordinating board.

Subd. 4. "Eligible institution" means an a post-secondary educational institution of higher education located in this state or in a state with which the board has entered into a higher education reciprocity agreement on state student aid programs which provides an organized course of instruction of at least two years duration in the sciences or liberal arts, including performing and visual arts, or a combination of these, at the collegiate level which that either (1) is operated by this state, or (2) is operated publicly or privately and, as determined by the board, maintains academic standards substantially equivalent to those of comparable institutions operated in this state or an area vocational technical school or other vocational school approved by the board.

Subd. 5. "Financial need" means the demonstrated need of the applicant for financial assistance to meet the actual costs of attending the eligible institution of his choice as determined from financial information on the applicant and, if required, on the applicant's parents, by a college scholarship service or equivalent service under criteria established by the board.

Subd. 6. "Qualified applicant" means those students a person who ranked in the upper quarter of the class at the end of the junior year in high school according to academic standards prescribed by the board for purposes of the state scholarship program and. It also means all any eligible students person regardless of academic rank for purposes of the state grant-in-aid program.

Subd. 7. "Student" means a student person who meets the requirements for full time student status as defined by the eligible institution he attends is enrolled at least half time, as defined by the board, in a program or course of study that applies to a degree, diploma, or certificate.

Sec. 4. Minnesota Statutes 1984, section 136A.121, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY FOR SCHOLARSHIPS.] An applicant shall be is eligible to be considered for a scholarship under the provisions of sections 136A.09 to 136A.131 if the board finds that *the* applicant:

(1) is a resident of the state of Minnesota;

(2) has met all the requirements for admission as a full time student to an eligible institution of his choice as defined in sections 136A.09 to 136A.131;

(3) has demonstrated capacity for superior achievement at the institutional level as measured by standards prescribed by the board;

(4) is a qualified applicant as defined herein.

Sec. 5. Minnesota Statutes 1984, section 136A.121, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY FOR GRANTS-IN-AID.] An applicant shall be *is* eligible to be considered for a grant-in-aid, regardless of the applicant's sex, creed, race, color, national origin, or ancestry, under the provisions of sections 136A.09 to 136A.131 if the board finds that *the* applicant:

(1) is a resident of the state of Minnesota;

(2) is a graduate of a secondary school or its equivalent, or is 17 years of age or over, and has met all requirements for admission as a full-time student to an eligible college or vocational school of his choice as defined in sections 136A.09 to 136A.131;

(3) has met such the criteria pertaining to about financial need as the board shall make by regulation established in rules.

Sec. 6. Minnesota Statutes 1984, section 136A.121, subdivision 3, is amended to read:

Subd. 3. [ALLOCATION.] Scholarships and grants-in-aid shall be awarded annually on a funds available basis to those applicants for initial awards and applicants for renewal awards who meet the board's requirements.

Sec. 7. Minnesota Statutes 1984, section 136A.121, subdivision 4, is amended to read:

Subd. 4. [SCHOLARSHIP STIPENDS.] An eligible scholarship applicant shall be considered for a financial stipend if the applicant demonstrates financial need. An eligible scholarship applicant who does not demonstrate financial need under criteria prescribed by the board shall be awarded an honorary scholarship. The amount of a financial stipend shall must not exceed a scholarship applicant's cost of attendance, as defined in subdivision 6, after deducting the following:

(a) a contribution by the scholarship applicant of at least 50 percent of the cost of attending the institution of the applicant's choosing;

(b) a contribution by the scholarship applicant's parents, as determined by a standardized need analysis; and

(c) the amount of a federal Pell grant award for which the scholarship applicant is eligible.

The minimum financial stipend shall be is \$100.

Sec. 8. Minnesota Statutes 1984, section 136A.121, subdivision 5, is amended to read:

Subd. 5. [GRANTS-IN-AID STIPENDS.] A financial stipend based on financial need shall must accompany grants-in-aid. The amount of a financial stipend shall must not exceed a grant applicant's cost of attendance, as defined in subdivision 6, after deducting the following:

(a) a contribution by the grant applicant of at least 50 percent of the cost of attending the institution of the applicant's choosing;

(b) a contribution by the grant applicant's parents, as determined by a standardized need analysis; and

(c) the amount of a federal Pell grant award for which the grant applicant is eligible.

The minimum financial stipend shall be is \$100.

Sec. 9. Minnesota Statutes 1984, section 136A.121, subdivision 6, is amended to read:

Subd. 6. [COST OF ATTENDANCE.] The cost of attendance shall consist consists of allowances specified by the board for room and board and miscellaneous expenses, and

(a) for public institutions, tuition and fees charged by the institution; or

(b) for private institutions, beginning July 1, 1985, an allowance for tuition and fees equal to the lesser of (1) the actual tuition and fees charged by the institution, or (2) the instructional costs per full-year equivalent student in comparable public institutions. Prior to July 1, 1985, the tuition and fees allowance shall not exceed the instructional costs per full year equivalent student in comparable public institutions.

Sec. 10. Minnesota Statutes 1984, section 136A.121, subdivision 7, is amended to read:

Subd. 7. [INSUFFICIENT APPROPRIATION.] If the amount appropriated is determined by the board to be insufficient to make full awards to applicants pursuant to subdivision under subdivisions 4 and 5, before any award for that year has been disbursed, then awards shall be reduced by

(a) adding a surcharge to the contribution of the applicant's parents, and

(b) a percentage increase in the applicant's contribution.

Sec. 11. Minnesota Statutes 1984, section 136A.121, subdivision 9, is amended to read:

Subd. 9. [INITIAL AWARDS.] Only first year students shall be eligible to apply for and receive initial scholarship awards. Any An undergraduate student who has not previously received a scholarship or grant-in-aid and who meets the board's requirements shall be is eligible to apply for and receive an initial scholarship or grant-in-aid in any year of undergraduate study.

Sec. 12. Minnesota Statutes 1984, section 136A.121, subdivision 10, is amended to read:

Subd. 10. [RENEWALS.] Each scholarship or grant-in-aid shall be awarded for one academic year but shall be, is renewable for a maximum of six semesters or nine quarters or their equivalent, but may not continue after the recipient has obtained a baccalaureate degree or been enrolled full-time or the equivalent for the number of semesters or quarters normally required to complete a baccalaureate degree, whichever occurs first.

Sec. 13. Minnesota Statutes 1984, section 136A.121, subdivision 11, is amended to read:

Subd. 11. [RENEWAL CONDITIONS.] Each scholarship or grant-in-aid shall be is renewable, contingent on continued residency in Minnesota, satisfactory academic standing and, recommendation of the college or vocational school eligible institution currently attended, and, in the case of finan-

#### cial assistance, evidence of continued need.

Sec. 14. Minnesota Statutes 1984, section 136A.121, subdivision 12, is amended to read:

Subd. 12. [ANNUAL APPLICATION.] To continue to receive a scholarship or grant-in-aid the student must shall apply for renewal of his scholarship or grant in-aid each year.

Sec. 15. Minnesota Statutes 1984, section 136A.121, subdivision 13, is amended to read:

Subd. 13. [DEADLINE.] The board must shall accept applications for state scholarships and grants-in-aid until February 15 and may establish a deadline for the acceptance of applications which that is later than February 15.

Sec. 16. Minnesota Statutes 1984, section 136A.121, subdivision 16, is amended to read:

Subd. 16. [HOW APPLIED; ORDER.] Financial Scholarships and grants-in-aid awarded under the terms of sections 136A.09 to 136A.131 shall be applied to educational costs in the following order: tuition, fees, books, supplies and other expenses. Unpaid portions of such the awards shall revert to the board scholarship or grant-in-aid account.

Sec. 17. Minnesota Statutes 1984, section 136A.132, subdivision 3, is amended to read:

Subd. 3. Any student attending an eligible institution less than full time and pursuing a program or course of study leading to a degree, diploma or certificate shall be eligible for a part time student grant in aid An applicant is eligible to be considered for a part-time student grant if the applicant:

(a) is a resident of the state of Minnesota;

(b) is an undergraduate student who has not earned a baccalaureate degree;

(c) is pursuing a program or course of study that applies to a degree, diploma, or certificate; and

(d) is attending an eligible institution (1) in the 1985-1986 school year less than full time as defined by the board, or (2) after July 1, 1986, either less than half time as defined by the board, or as a new or returning student enrolled at least half time but less than full time as defined by the board.

Sec. 18. Minnesota Statutes 1984, section 136A.132, subdivision 4, is amended to read:

Subd. 4. A recipient of a part-time grant-in-aid shall be selected by the post-secondary education institution of attendance in accordance with guidelines, eriteria, policies and procedures rules established by the higher education coordinating board.

Sec. 19. Minnesota Statutes 1984, section 136A 132, subdivision 5, is amended to read:

Subd: 5. The amount of any part-time student grant-in-aid award shall be based on the need of the applicant determined by the institution in accordance with policies *and rules* established by the higher education coordinating board but the amount of an award shall not exceed the cost of tuition and required fees paid or to be paid by the student or the cost of tuition and fees for a comparable program at the university of Minnesota, whichever is the lesser.

Sec. 20. Minnesota Statutes 1984, section 136A.132, subdivision 6, is amended to read:

Subd. 6. Part-time student grants-in-aid shall be awarded for a single term as defined by the institution in accordance with guidelines and policies of the higher education coordinating board. Awards shall not be renewable but the recipient of an award may apply for additional awards for subsequent terms as follows:

(a) In the 1985-1986 school year a recipient of an award who is enrolled less than full time as defined by the board may apply for additional awards.

(b) After July 1, 1986, a recipient of an award who is enrolled less than half time as defined by the board may apply for additional awards.

A new or returning student enrolled at least half time but less than full time as defined by the board and pursuing a program or course of study that could be applied to a degree, diploma, or certificate shall be eligible for an award for only one term.

Sec. 21. Minnesota Statutes 1984, section 136A.162, is amended to read:

136A 162 [CLASSIFICATION OF DATA.]

All data on applicants for financial assistance collected and used by the higher education coordinating board for the purposes of student financial aid programs administered by that board shall be classified as private data on individuals pursuant to under section 13.02, subdivision 12. Exceptions to this classification are *that*:

(a) the names and addresses of program recipients or participants are public data; and

(b) the following data collected in the Minnesota supplemental loan program under section 136A.1701 may be disclosed to credit bureaus:

(1) the lender assigned borrower identification number;

(2) the name and address of borrower;

(3) the name and address of cosigner;

(4) the date the account is opened;

(5) the outstanding account balance;

(6) the dollar amount past due;

(7) the number of payments past due;

(8) the number of late payments in previous 12 months;

(9) the type of account;

(10) the responsibility for the account; and

(11) the status or remarks code.

Sec. 22. [EMERGENCY RULES.]

The higher education coordinating board shall adopt emergency rules

under Minnesota Statutes, sections 14.29 to 14.36 to implement the part-time student grant program under Minnesota Statutes, section 136A.132, as amended, for the 1985-1986 academic year. Notwithstanding Minnesota Statutes, section 14.35, the emergency rules are effective until permanent rules are adopted or June 30, 1986, whichever is earlier.

### Sec. 23. [REPEALER.]

Minnesota Statutes 1984, section 136A.121, subdivisions 8 and 14, are repealed effective July 1, 1985.

### Sec. 24. [EFFECTIVE DATES.]

Subdivision 1. [IMMEDIATE.] Sections 17, 18, 19, 20, and 22 are effective the day after final enactment.

Subd. 2. [JULY 1, 1986.] Sections 3, subdivision 7; 4, and 5 are effective July 1, 1986."

Delete the title and insert:

"A bill for an act relating to education; allowing eligibility for state scholarships or grants when students are enrolled at least half time in certain programs; providing for part time student grants for certain students; modifying the years of eligibility for scholarships and grants; amending Minnesota Statutes 1984, sections 136A.09; 136A.095; 136A.101; 136A.121, subdivisions 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, and 16; 136A.132, subdivisions 3, 4, 5, and 6; and 136A.162; repealing Minnesota Statutes 1984, section 136A.121, subdivisions 8 and 14."

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

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

S.F. No. 1114: A bill for an act relating to economic development; creating a comprehensive economic development strategy commission to review state economic development efforts, to develop a strategy for state investment in economic development, and to report to the governor and the legislature; appropriating money.

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

Page 1, delete lines 24 to 26

Page 2, delete line 1

Page 2, line 11, delete "selected or to be selected"

Page 2, lines 22, 26, 27, 30, and 35, delete "chosen" and insert "appointed"

Page 2, line 34, after "the" insert "voting" and delete "provided in this subdivision"

Page 3, lines 8 and 9, delete "director of state planning" and insert "department of energy and economic development" Page 3; line 24, delete "at such"

Page 3, line 25, delete everything before the period and insert "by January 1, 1987"

Page 3, line 31, delete everything after "person"

Page 3, line 32, delete everything before "to"

Page 3, line 34, delete "the provisions of"

Page 3, line 35, delete "more expected of it or"

Page 4, line 2, delete "of it"

Page 5, line 10, after "appropriated" insert "from the general fund"

Page 5, line 10, delete "director of state" and insert "department of energy and economic development"

Page 5, delete line 11

Page 5, line 12, delete "order"

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

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

S.F. No. 769: A bill for an act relating to occupations and professions; requiring registration of interior designers; amending Minnesota Statutes 1984, section 326.02, subdivision 1, and by adding a subdivision; 326.03, by adding a subdivision; 326.04; 326.05; 326.06; 326.07; 326.08, subdivision 2; 326.09; 326.10, subdivisions 1, 2, 2a, and by adding a subdivision; 326.11, subdivision 1; 326.12; 326.13; and 326.14.

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

Page 5, lines 34 and 35, delete the new language and reinstate the old language

Page 5, line 36, after "or" insert "a certificate of registration as an"

Page 6, line 4, after the period, insert "The age limitation does not apply to interior designers."

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 761: A bill for an act relating to drivers' licenses; requiring certain notice on uniform traffic ticket; providing penalty for failure to respond to summons and complaint on uniform traffic ticket; prohibiting issuance of warrants for failure to pay fines for parking violations; establishing system for collecting unpaid fines; allocating driver's license reinstatement fees; amending Minnesota Statutes 1984, sections 169.99, by adding a subdivision; 171.16, subdivision 3, and by adding subdivisions; 171.20, subdivision

#### 1; and 171.29.

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

Page 1, after line 13, insert:

"Section 1. [169.041] [LOCAL TICKETS; SPECIAL NOTICE REQUIRED.]

Any traffic ticket issued by a local authority for a violation involving the operation or parking of a motor vehicle must include a notice specifying the consequences that may result under section 3 if the violator fails to respond to the citation."

Page 1, line 19, delete "2," and insert "3"

Page 1, line 24, delete "his or her" and insert "the violator's"

Page 2, line 4, after "violation" insert "or a violation involving the operation of a motor vehicle"

Page 2, line 16, before the period, insert "or any other traffic ticket issued by a local authority for a violation involving the operation or parking of a motor vehicle"

Page 3, line 21, after "charged" insert "or convicted"

Page 4, line 36, delete "2" and insert "3"

Page 5, line 1, delete "his or her" and insert "the"

Page 5, line 8, delete "6" and insert "7" and after the period, insert "Money in the revolving fund is annually appropriated to the commissioner for the purpose of reimbursing law enforcement agencies under this section."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, before the period, insert ''; proposing coding for new law in Minnesota Statutes, chapter 169''

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 802: A bill for an act relating to crimes; clarifying elements of the crime of depriving another of custodial or parental rights; amending Minnesota Statutes 1984, section 609.26, subdivisions 1 and 2.

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

Page 1, line 16, strike "his"

Page 1, line 19, delete "his"

Page 2, lines 4 and 13, strike "his"

Page 2, line 11, delete "his"

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Page 2, line 18, strike "or the person taking the"

Page 2, line 19, strike "action" and before the semicolon, insert "or substantial emotional harm"

Page 2, after line 19, insert:

"(2) is taken to protect the person taking the action from physical or sexual assault;"

Page 2, line 20, strike "(2)" and insert "(3)"

Page 2, line 22, strike "(3)" and insert "(4)"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 801: A bill for an act relating to crimes; authorizing the commissioner of revenue to request a prosecuting authority of a county to assist in criminal tax investigations; proposing coding for new law in Minnesota Statutes, chapter 270.

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

Delete everything after the enacting clause and insert:

"Section 1. [270.064] [REQUESTING ASSISTANCE IN CRIMINAL TAX INVESTIGATIONS.]

If the commissioner of revenue has reason to believe that a criminal violation of the state tax laws has occurred, the commissioner may request the attorney general or the prosecuting authority of any county to assist in a criminal tax investigation and may disclose return information to the prosecuting authority relevant to the investigation notwithstanding the provisions of sections 290.61, 291.48, 297A.43, or 297B.12."

Amend the title as follows:

Page 1, line 3, after "request" insert "the attorney general or"

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

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 569: A bill for an act relating to natural resources; granting conservation officers the authority of peace officers under certain circumstances; specifying areas of jurisdiction; amending Minnesota Statutes 1984, sections 84.028, subdivision 3; and 97.50, subdivision 1, and by adding a subdivision.

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 922: A bill for an act relating to crimes; repealing the requirement

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that the department of public safety must keep a record of all first convictions for the crime of possessing a small amount of marijuana; amending Minnesota Statutes 1984, section 152.15, subdivision 2.

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

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 545: A bill for an act relating to human services; requiring a study and report on public guardianship.

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 682: A bill for an act relating to human services; eliminating exclusions to licensing of child care programs; establishing qualifications for licensers; amending Minnesota Statutes 1984, sections 245.791; and 245.804, subdivision 1.

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

Page 3, after line 11, insert:

"Sec. 3. [EFFECTIVE DATE.]

The changes made in section 1 to Minnesota Statutes 1984, section 245.791, clauses (11) and (12), are effective December 31, 1986, unless the commissioner of education has adopted rules concerning schools under the supervision of the commissioner of education or a local education agency."

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

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

S.F. No. 625: A bill for an act relating to energy; delaying the effective date of energy efficiency ratings for certain devices sold in Minnesota; amending Minnesota Statutes 1984, section 116J.19, subdivision 13.

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

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

S.F. No. 721: A bill for an act relating to the city of Plymouth; permitting the establishment of a port authority; amending Laws 1984, chapter 397, section 1.

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

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

S.F. No. 277: A bill for an act relating to metropolitan government; providing for various standards and procedures of metropolitan commissions; providing for the appointment and removal of certain officers of metropolitan commissions; requiring reports and plans; regulating duties of the regional transit board; amending Minnesota Statutes 1984, sections 473.129, by adding a subdivision; 473.141, subdivisions 3, 5, 13, and by adding a subdivision; 473.163, by adding a subdivision; 473.245; 473.373, subdivisions 2, 3, and 7; and 473.375, subdivisions 1 and 16.

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

Page 1, line 19, after "the" insert "metropolitan"

Pages 1 and 2, delete sections 2 and 3

Pages 5 and 6, delete sections 8 and 9

Page 7, after line 16, insert:

"Sec. 9. Minnesota Statutes 1984, section 473.375, is amended by adding a subdivision to read:

Subd. 17. [AUDIT.] The legislative auditor shall audit the books and accounts of the board once each year or as often as the legislative auditor's funds and personnel permit. The board shall pay the total cost of the audit pursuant to section 3.9741.

Sec. 10. Minnesota Statutes 1984, section 473.38, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] The regional transit board shall prepare, submit for review, adopt, and implement budgets and conduct its financial affairs in the same manner, with the same requirements and restrictions, and to the same effect as provided in section 473.163, subdivisions 1 to 4, except that the board may develop and adopt its budget on a fiscal year basis to coincide with the fiscal year of the departments of the state government and except as otherwise provided in this section.

Sec. 11. Minnesota Statutes 1984, section 473.435, subdivision 2, is amended to read:

Subd. 2. [AUDIT.] The transit commission shall employ a certified public accountant or firm to legislative auditor shall make an annual audit of the commission's financial accounts and affairs for the last fiscal year on or before November 30 of each year, and or as often as the legislative auditor's funds and personnel permit. Copies of the report thereof shall be filed and kept open to public inspection in the offices of the secretary of the commission, the board, and the secretary of state. The information in the audit shall be contained in the annual report and distributed in accordance with section 473.445. The commission shall pay the total cost of the audit pursuant to section 3.9741."

Page 7, after line 19, insert:

"Sec. 13. [EFFECTIVE DATE.]

Sections 9 and 11 are effective for audits for fiscal years beginning after June 30, 1985."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, delete line 5

Page 1, line 7, after the semicolon, insert "providing for the audit of certain metropolitan commissions;"

Page 1, line 9, delete "subdivisions 3, 5," and insert "subdivision"

Page 1, line 11, delete "subdivisions 2, 3, and" and insert "subdivision" and after "7;" delete "and"

Page 1, line 12, delete "and" and insert a comma and after "16" insert ", and by adding a subdivision; 473.38, subdivision 1; and 473.435, subdivision 2"

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

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

S.F. No. 904: A bill for an act relating to the city of Red Wing; permitting the establishment of a port authority.

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

Delete everything after the enacting clause and insert:

## "Section 1. [PORT AUTHORITY.]

The city of Red Wing may, by adoption of an enabling resolution in compliance with the procedural requirements of section 3, establish a port authority commission that, subject to the provisions of section 2, has the same powers as a port authority established under Minnesota Statutes, section 458.09, or other law, and a housing and redevelopment authority established under Minnesota Statutes, chapter 462, or other law, and shall constitute an "agency" that may administer one or more municipal development districts under Minnesota Statutes, section 472A.10. If the city establishes a port authority commission under this section, the city shall exercise all the powers relating to a port authority granted to any city by Minnesota Statutes, chapter 458, or other law, and all powers relating to a housing and redevelopment authority granted to any city by Minnesota Statutes, chapter 462, or other law.

Sec. 2. [LIMITATION OF POWERS.]

(a) The enabling resolution may impose the following limitations upon the actions of the port authority:

(1) that the port authority shall not exercise any specified powers contained in Minnesota Statutes, chapters 458 and 462, or that the port authority shall not exercise any powers without the prior approval of the city council;

(2) that, except when previously pledged by the port authority, the city council may, by resolution, require the port authority to transfer any portion of the reserves generated by activities of the port authority which the city council determines is not necessary for the successful operation of the port authority, to the city general fund, to be used for any general purpose of the city:

(3) that the sale of all bonds or obligations issued by the port authority be approved by the city council before issuance;

(4) that the port authority follow the budget process for city departments as provided by the city and as implemented by the city council and mayor;

(5) that all official actions of the port authority must be consistent with the adopted comprehensive plan of the city of Red Wing, and any official controls implementing the comprehensive plan;

(6) that the port authority submit to the city council for approval by resolution any proposed project as defined in Minnesota Statutes, section 273.73, subdivision 8;

(7) that the port authority submit all planned activities for influencing the action of any other governmental agency, subdivision, or body to the city council for approval;

(8) that the port authority submit its administrative structure and management practices to the city council for approval; and

(9) any other limitation or control established by the city council by the enabling resolution.

(b) The enabling resolution may be modified at any time, subject to clause (e), and provided that any modification is made in accordance with the procedural requirements of section 3.

(c) Without limiting the right of the port authority to petition the city council at any time, each year, within 60 days of the anniversary date of the initial adoption of the enabling resolution, the port authority shall submit to the city council a report stating whether and how the enabling resolution should be modified. Within 30 days of receipt of the recommendation, the city council shall review the enabling resolution, consider the recommendations of the port authority, and make any modification it considers appropriate; provided that any modification shall be made in accordance with the procedural requirements of section 3.

(d) A determination by the city council that the limitations imposed under this section have been complied with by the port authority shall be conclusive.

(e) Limitations imposed under this section must not be applied in a manner which impairs the security of any bonds issued or contracts executed prior to the imposition of the limitation. The city council shall not modify any limitations in effect at the time any bonds or obligations are issued or contracts executed to the detriment of the holder of the bonds or obligations or any contracting party.

Sec. 3. [PROCEDURAL REQUIREMENT.]

(a) The creation of a port authority by the city of Red Wing must be by written resolution known as the enabling resolution. Prior to adoption of the enabling resolution, the city council shall conduct a public hearing. Notice of the time and place of hearing, a statement of the purpose of the hearing, and a summary of the resolution must be published in a newspaper of general circulation within the city once a week for two consecutive weeks. The first publication must appear not more than 30 days from the date of the public hearing.

(b) All modifications to the enabling resolution must be by written resolution and must be adopted after notice is given and a public hearing conducted as required for the original adoption of the enabling resolution.

Sec. 4. [NAME:]

Notwithstanding Minnesota Statutes, section 458.09, subdivision 1, or other law, the city may choose the name of the commission.

## Sec. 5. [REMOVAL OF COMMISSIONERS FOR CAUSE.] .

A commissioner of the port authority may be removed by the city council for inefficiency, neglect of duty, or misconduct in office. A commissioner shall be removed only after a hearing. A copy of the charges must be given to the commissioner at least ten days before the hearing. The commissioner must be given an opportunity to be heard in person or by counsel at the hearing. When written charges have been submitted against a commissioner, the city council may temporarily suspend the commissioner. If the city council finds that those charges have not been substantiated, the commissioner shall be immediately reinstated. If a commissioner is removed, a record of the proceedings, together with the charges and findings, shall be filed in the office of the city clerk.

# Sec. 6. [LOCAL APPROVAL.]

This act is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Red Wing."

#### Delete the title and insert:

"A bill for an act relating to the city of Red Wing; granting the city of Red Wing the authority to establish a port authority; authorizing the port authority to exercise the power of a municipal housing and redevelopment authority; authorizing the city to impose restrictions and limitations upon the powers and procedures of the port authority; permitting the city to choose the name of the port authority; providing for removal of port authority commissioners; requiring local approval."

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 778: A bill for an act relating to adoption; eliminating the requirement for certain consents; amending Minnesota Statutes 1984, section 259.24, subdivisions 1 and 5.

Reports the same back with the recommendation that the bill be amended

#### as follows:

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Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 259.24, is amended by adding a subdivision to read:

Subd. 5a. [CONSENT BY CO-PETITIONER.] Notwithstanding the provisions of subdivision 5, the verified signature of the co-petitioner to the petition for adoption constitutes the consent for the co-petitioner."

Amend the title as follows:

Page 1, line 2, delete "eliminating the requirement for" and insert "providing that the signature of a co-petitioner constitutes consent"

Page 1, line 3, delete "certain consents"

Page 1, line 4, delete "subdivisions 1 and 5" and insert "by adding a subdivision"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 827: A bill for an act relating to marriage dissolution; requiring child support obligors to file address changes with the family court and the ex-spouse; amending Minnesota Statutes 1984, section 518.55, by adding a subdivision.

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

Page 1, line 10, after "ADDRESS" insert "OR RESIDENCE"

Page 1, line 11, delete "and" and insert a comma and after "obligee" insert ", and the public authority responsible for collection, if applicable,"

Page 1, line 11, after "address" insert "or residence" and delete the second "a"

Page 1, line 12, delete "*reasonable time*" and insert "60 days" and after "address" insert "or residence"

Page 1, line 14, after the period, insert "The court may waive or modify the requirements of this subdivision by order if necessary to protect the obligor from contact by the obligee."

Amend the title as follows:

Page 1, line 3, after "support" insert "or maintenance" and after "address" insert "or residence" and delete "with the"

Page 1, line 4, delete "family court and the ex-spouse"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 650: A bill for an act relating to crimes; increasing the penalty for

an offense committed against a transit provider or operator when violence or a threat of violence is not involved; amending Minnesota Statutes 1984, section 609.855, subdivision 4.

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

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1984, section 609.855, subdivision 3, is amended to read:

Subd. 3. [PROHIBITED ACTIVITIES.] Whoever, while riding in a vehicle providing regular route transit service:

(1) operates a radio, television, tape player, electronic musical instrument, or other electronic device, other than a watch, which amplifies music, unless the sound emanates only from earphones or headphones and except that vehicle operators may operate electronic equipment for official business;

(2) smokes or carries lighted smoking paraphernalia;

(3) consumes food or beverages, except when authorized by the operator or other official of the transit system;

(4) throws or deposits litter; or

(5) acts in any other manner which disturbs the peace and quiet of another person; or

(6) fails to cease any activity that is prohibited under this subdivision after being requested to do so by the transit operator or a security officer;

is guilty of disruptive behavior and may be sentenced as provided in subdivision 4."

Page I, line 16, strike the second "or"

Page 1, line 17, before "To" insert "Except as provided in clause (c),"

Page 1, line 21, strike the period and insert "; or"

Page 1, after line 21, insert:

"(c) To the penalty imposed in section 169.89, subdivision 2, for a violation of subdivision 3, clauses (1), (3), or (4), if the violation was not accompanied by force or violence or a communication of a threat of force or violence."

Page 1, line 23, delete "Section 1 is" and insert "Sections 1 and 2 are" and delete "applies" and insert "apply"

Amend the title as follows:

Page 1, line 6, delete "subdivision" and insert "subdivisions 3 and"

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

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

S.F. No. 888: A bill for an act relating to gambling; providing an exemption from state regulation for certain lawful gambling; amending Minnesota Statutes 1984, section 349.214, subdivision 2.

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

Delete everything after the enacting clause and insert:

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"Section 1. Minnesota Statutes 1984, section 297A.25, is amended by adding a subdivision to read:

Subd. 6. The gross receipts from the conduct of lawful gambling by an organization exempt under section 349.214 shall be exempt from taxation under this chapter.

Sec. 2. Minnesota Statutes 1984, section 349.12, subdivision 13, is amended to read:

Subd. 13. "Profit" means the gross receipts collected from lawful gambling, less reasonable sums necessarily and actually expended for gambling supplies and equipment, prizes, rent, and utilities used during the gambling occasions, compensation paid to members for conducting gambling, taxes imposed by this chapter, and maintenance of devices used in lawful gambling, advertising costs up to one percent of an organization's gambling receipts in a calendar year, legal costs, accounting services, security services, and insurance. An organization exempt under section 349.214, subdivision 2, may deduct from gross receipts the costs of any food or beverages provided at the event.

Sec. 3. Minnesota Statutes 1984, section 349 151, subdivision 4, is amended to read:

Subd. 4. [POWERS AND DUTIES.] The board has the following powers and duties:

(1) to issue, revoke, and suspend licenses to organizations and suppliers under sections 349.16 and 349.161;

(2) to collect and deposit license fees and taxes due under this chapter;

(3) to receive reports required by this chapter and inspect the records, books; and other documents of organizations and suppliers to insure compliance with all applicable laws and rules;

(4) to make rules, including emergency rules, required by this chapter;

(5) to register gambling equipment and issue registration stamps under section 349.162;

(6) to provide by rule for the mandatory posting by organizations conducting lawful gambling of rules of play and the odds and/or house percentage on each form of lawful gambling; and

(7) to report annually to the governor and legislature on its activities and on recommended changes in the laws governing charitable gambling; and

(8) impose civil penalties of not more than \$500 per violation on organizations and suppliers for failure to comply with any provision of sections 349.12 to 349.23 or any rule of the board. Sec. 4. Minnesota Statutes 1984, section 349.16, is amended by adding a subdivision to read:

Subd. 4. [LOCAL INVESTIGATION FEE.] An organization applying for a license under this section shall pay to the board, in addition to any other fee required by this section, an investigation fee which the board shall remit to the local unit of government notified under section 349.213, subdivision 2. The investigation fee shall be \$75 if an organization is applying for a license to conduct all forms of gambling, \$50 for all forms except bingo, and \$25 for bingo only.

Sec. 5. Minnesota Statutes 1984, section 349.161, subdivision 1, is amended to read:

Subdivision 1. [PROHIBITED ACTS; LICENSES REQUIRED.] No person may:

(1) sell, offer for sale, or furnish gambling equipment for use within the state for gambling purposes, other than for bingo lawful gambling exempt from licensing under section 340.19 349.214, except to an organization licensed for lawful gambling; or

(2) sell, offer for sale, or furnish gambling equipment to an organization licensed for lawful gambling without having obtained a distributor license under this section.

No licensed organization may purchase gambling equipment from any person not licensed as a distributor under this section.

Sec. 6. Minnesota Statutes 1984, section 349.19, subdivision 5, is amended to read:

Subd. 5. [REPORTS.] A licensed organization must report to the board and to its membership monthly on its gross receipts, expenses, profits, and expenditure of profits from lawful gambling. If the organization conducts both bingo and other forms of lawful gambling, the figures for both must be reported separately. In addition, a licensed organization must report to the board monthly on its purchases of gambling equipment and must include the type, quantity, and dollar amount from each supplier separately. If an organization's tax liability under section 349.212 is \$500 or less in any quarter, any reports required to be filed with the board or to its membership may be filed quarterly. The reports must be on a form the board prescribes.

Sec. 7. Minnesota Statutes 1984, section 349.212, subdivision 2, is amended to read:

Subd. 2. [COLLECTION; DISPOSITION.] The tax must be paid to the board at times and in a manner the board prescribes by rule, provided that if an organization's tax liability under this section is \$500 or less in any quarter the tax may not be required to be paid more frequently than quarterly. The proceeds, along with the revenue received from all license fees and other fees under sections 349.11 to 349.21 and 349.211, 349.212, and 349.213, except fees received under section 5, must be paid to the state treasurer for deposit in the general fund.

Sec. 8. Minnesota Statutes 1984, section 349.214, subdivision 2, is amended to read:

# Subd. 2. [RAFFLES.]

(a) Raffles may be conducted by an organization as defined in section 349.12, subdivision 13, without complying with sections 349.11 to 349.213 if the value of all raffle prizes awarded by the organization in a calendar year does not exceed \$750. Merchandise prizes must be valued at their fair market value.

(b) Raffles may be conducted by an organization without complying with section 349.14, or sections 349.151 to 349.212 if the organization or each chapter of the organization conducts no more than one raffle in a calendar year. The organization may also conduct pull-tabs, tipboards, and paddle-wheels in conjunction with the raffle without complying with section 349.14 or sections 349.151 to 349.212. The prizes awarded in the raffle or pull-tabs, paddlewheel, or tipboards at the event, may not exceed \$25,000, with no more than \$2,000 being cash, and at least 50 percent of the prizes being donated to the organization. Mechandise prizes must be valued at fair market value. An organization exempt under this paragraph must file with the board a copy of the annual report required to be filed with the department of commerce under chapter 309.

Sec. 9. Minnesota Statutes 1984, section 349.214, is amended by adding a subdivision to read:

Subd. 1a. [BINGO; CERTAIN ORGANIZATIONS.] Bingo may be conducted within a nursing home or a senior citizen housing project or by a senior citizen organization without complying with sections 349.11 to 349.213 if the prizes for a single bingo game do not exceed \$10, total prizes awarded at a single bingo occasion do not exceed \$200, no more than two bingo occasions are held by the organization or at the facility each week, only members of the organization or residents of the nursing home or housing project are allowed to play in a bingo game, no compensation is paid for any persons who conduct the bingo, a manager is appointed to supervise the bingo, and the manager registers with the board.

Sec. 10. Minnesota Statutes 1984, section 609.75, subdivision 3, is amended to read:

Subd. 3. [WHAT ARE NOT BETS.] The following arc not bets:

(1) A contract to insure, indemnify, guarantee or otherwise compensate another for a harm or loss sustained, even though the loss depends upon chance.

(2) A contract for the purchase or sale at a future date of securities or other commodities.

(3) Offers of purses, prizes or premiums to the actual contestants in any bona fide contest for the determination of skill, speed, strength, endurance, or quality or to the bona fide owners of animals or other property entered in such a contest.

(4) The game of bingo when conducted in compliance with sections 349.11 to 349.23.

(5) A private social bet not part of or incidental to organized, commercialized, or systematic gambling. (6) The operation of equipment or the conduct of a raffle under sections 349.11 to 349.22, by an organization licensed by the charitable gambling control board or an organization exempt from licensing under section 349.214.

(7) Pari-mutuel betting on horse racing when the betting is conducted under chapter 240.

# Sec. 11. [TAX AMNESTY; NONPROFIT ORGANIZATIONS.]

For an organization who has an unpaid liability for sales tax due under Minnesota Statutes, chapter 297A, arising out of lawful gambling conducted under Minnesota Statutes, chapter 349, between March 1, 1982, and February 28, 1985, the commissioner of revenue shall accept as full payment of the liability, a certified check, cashier's check, or money order in the amount of 50 percent of the liability incurred, plus interest. Payment must be received by the commissioner of revenue before January 1, 1986. For delinquent returns filed under this section, the civil and criminal penalties imposed by law are waived.

# Sec. 12. [SALES TAX EXEMPTION.]

The gross receipts from the conduct of lawful gambling conducted under Minnesota Statutes, chapter 349, received prior to March 1, 1982, shall be exempt from taxation under Minnesota Statutes, chapter 297A. No refunds shall be paid pursuant to this section unless the organization can demonstrate to the commissioner of revenue that the refunds will be paid to those who paid the tax.

#### Sec. 13. [EFFECTIVE DATE.]

#### This act is effective June 1, 1985."

## Delete the title and insert:

"A bill for an act relating to charitable gambling; exempting certain organizations from regulation by the charitable gambling control board; exempting certain organizations who conduct bingo and raffles from the sales tax; clarifying what expenses may be deducted from gross receipts; permitting the board to impose civil penalties; requiring organizations to pay an investigation fee; changing reporting requirements; providing for a tax amnesty for organizations who have conducted lawful gambling; amending Minnesota Statutes 1984, sections 297A.25, by adding a subdivision; 349.12, subdivision 13; 349.151, subdivision 4; 349.16, by adding a subdivision; 349.161, subdivision 1; 349.19, subdivision 5; 349.212, subdivision 2; 349.214, subdivision 2, and by adding a subdivision; and 609.75, subdivision 3."

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

## Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 923: A bill for an act relating to controlled substances; prescribing "small amount" of marijuana; clarifying certain Schedule II controlled substances; amending Minnesota Statutes 1984, sections 152.01, subdivision 16; and 152.02, subdivision 3. Reports the same back with the recommendation that the bill be amended as follows:

Page 3, after line 23, insert:

"Sec. 3. Minnesota Statutes 1984, section 152.15, subdivision 2, is amended to read:

Subd. 2. Any person who violates section 152.09, subdivision 1, clause (2), with respect to:

(1) A controlled substance classified in Schedule I or II which is a narcotic drug, is guilty of a crime and upon conviction may be imprisoned for not more than five years or fined not more than \$10,000, or both;

(2) Any other controlled substance classified in Schedule I, II, or III, except small amounts of marijuana, is guilty of a crime and upon conviction may be imprisoned for not more than three years, fined not more than \$5,000, or both;

(3) A substance classified in Schedule IV, is guilty of a crime and upon conviction may be imprisoned for not more than three years, fined not more than \$5,000, or both;

(4) A substance classified in Schedule V, is guilty of a crime and upon conviction may be imprisoned for not more than one year, fined not more than \$3,000, or both; provided, however, that any person convicted under this section of possessing a substance classified under Schedule V, and placed on probation may be required to take part in a drug education program as specified by the court;

(5) A small amount of marijuana is guilty of a petty misdemeanor punishable by a fine of up to \$100 and participation in a drug education program unless the court enters a written finding that such a program is inappropriate, said program being approved by an area mental health board with a curriculum approved by the state alcohol and drug abuse authority. A subsequent violation of this clause within two years is a misdemeanor, and a person so convicted shall be required to participate in a chemical dependency evaluation and treatment if so indicated by the evaluation. Upon a first conviction under this section the courts shall forward a report of said conviction to the department of public safety which shall make and maintain a private, nonpublic, record for a period not to exceed two years from the date of conviction. The private, nonpublic record shall be solely for use by the courts in determining the penalties which attach upon conviction under this section.

Additionally a person who is the owner of a private motor vehicle, or the driver of the motor vehicle if the owner is not present, and who possesses on his person or knowingly keeps or allows to be kept in a motor vehicle within the area of the vehicle normally occupied by the driver or passengers more than .05 ounce 1.4 grams of marijuana is guilty of a misdemeanor. This area of the vehicle shall not include the trunk of the motor vehicle when such vehicle is equipped with a trunk or another area of the vehicle normally occupied by the driver or passengers if the vehicle is not equipped with a trunk. A utility or glove compartment shall be deemed to be within the area occupied by the driver and passengers.

(6) In any case in which a defendant is convicted of a petty misdemeanor

under the provisions of clause (5) and willfully and intentionally fails to comply with the sentence imposed, said defendant shall be guilty of a misdemeanor.

(7) Compliance with the terms of any sentence imposed for violation of clause (5) before conviction under clause (6) shall be an absolute defense."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "prescribing amount of marijuana for possession in a motor vehicle;"

Page 1, line 5, delete "and"

Page 1, line 6, before the period, insert "; and 152.15, subdivision 2"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

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

S.F. No. 438: A bill for an act relating to local government; excluding firefighters and peace officers from a political subdivisions job evaluation system; amending Minnesota Statutes 1984, sections 471.994; and 471.998, subdivision 1.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 43A.05, is amended by adding a subdivision to read:

Subd. 7. [APPLICABILITY.] The provisions of sections 43A.01, subdivision 3, and 43A.05 do not apply to firefighter and peace officer job classes in state employment. An arbitrator in an interest arbitration pursuant to section 179A.16 shall not consider a study done pursuant to 43A.05 in reaching a decision on wages.

Sec. 2. [471.9999] [EXCLUSIONS.]\*

The provisions of sections 471.991 to 471.999 do not apply to a political subdivision's firefighter and peace officer job classes.

Sec. 3. Laws 1984, chapter 456, section 1, is amended to read:

Section 1. [COMPENSATION COMPARABILITY STUDY.]

The legislature requests the regents of the University of Minnesota to conduct an objective job evaluation study to determine the extent to which comparability of the value of work is reflected in the salaries of its nonacademic employees, including hospital employees. The study is to include an analysis of compensation comparability for male-dominated, female-dominated, and balanced classes of employees as those classes are defined in Minnesota Statutes, section 43A.02; except that, the study shall not include police officer job classes.

Sec. 4. [EFFECTIVE DATE.]

This act is effective on the day following final enactment:"

Delete the title and insert:

"A bill for an act relating to local government; clarifying interest arbitration for firefighters and peace officers in state employment; excluding firefighters and peace officers from the local government job evaluation system and pay equity requirements; amending Minnesota Statutes 1984, section 43A.05, by adding a subdivision; and Laws 1984, chapter 456, section 1; proposing coding for new law in Minnesota Statutes, chapter 471."

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

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

S.F. No. 557: A bill for an act relating to insurance; removing the limits on credits offered on workers' compensation insurance premiums; amending Minnesota Statutes 1984, section 79.55, by adding a subdivision.

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

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

H.F. No. 1: A bill for an act relating to local government; establishing a procedure to consolidate the cities of International Falls and South International Falls; authorizing a special mill levy in the event of consolidation.

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

Page 1, line 13, delete "shall" and insert "may"

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

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

S.F. No. 854: A bill for an act relating to taxation; imposing an additional tax on certain interest earned on state or municipal obligations; providing an income tax credit for certain interest paid on those obligations; amending Minnesota Statutes 1984, section 290.06, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 290.

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

Page 1, line 13, after "section" insert "290.02,"

Page 1, line 14, "290.03" insert ", or 290.361"

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

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

S.F. No. 1088: A bill for an act relating to the revenue recapture act; including the University of Minnesota in the definition of claimant agency; amending Minnesota Statutes 1984, sections 270A.02; and 270A.03, subdivision 2.

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

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

S.F. No. 282: A bill for an act relating to local government; removing the restriction on the number of mills certain towns may levy to provide fire protection for special fire protection districts; amending Minnesota Statutes 1984, section 368.85, subdivision 6.

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

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

S.F. No. 777: A bill for an act relating to taxation; eliminating the excise tax rates for farm wineries; reducing the excise tax credit for certain malt beverages and extending the credit to beverages produced outside Minnesota; amending Minnesota Statutes 1984, sections 340.435, subdivisions I and 5; 340.47, subdivision 2; repealing Minnesota Statutes 1984, sections 340.436; and 340.47, subdivision 2a.

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

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

S.F. No. 441: A bill for an act relating to the national guard; changing minimum pay for certain enlisted persons; amending Minnesota Statutes 1984, section 192,51, subdivision 2.

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

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

S.F. No. 430: A bill for an act relating to industrial development bonds; requiring the refund of certain 1984 application deposits; appropriating money for these refunds.

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

Delete everything after the enacting clause and insert:

"Section 1. [APPROPRIATION FOR RETURN OF 1984 APPLICA-TION DEPOSIT.] 30TH DAY]

\$46,800 is appropriated from the general fund to the energy and economic development authority to refund any application deposit deposited during calendar year 1984 by an applicant from money of the applicant that was not reimbursed by a private party and that was retained by the authority.

## Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

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

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

S.F. No. 384: A bill for an act relating to state lands; conveying lands to the federal government for Voyageurs National Park; appropriating money; amending Minnesota Statutes 1984, section 84B.03, subdivision 4.

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

Page 2, line 9, delete "administration" and insert "natural resources"

Page 2, after line 13, insert:

"Sec. 2. [APPROPRIATION.]"

Page 2, line 14, delete everything before "is" and insert "\$190,000"

Page 2, line 16, after "in" insert "section 1,"

Page 2, line 18, delete "2" and insert "3"

Page 2, line 19, delete "Section 1" and insert "This act"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 521: A bill for an act relating to corrections; authorizing the commissioner of corrections to prescribe the conditions under which persons on work release may retain and expend their earnings; providing for inmate contribution to funds for programs to aid victims of crime; clarifying the provisions relating to the use of force by correctional officers in preventing escape; providing preference to county employees displaced when counties change over and request probation services for county courts from the state; removing obsolete language; amending Minnesota Statutes 1984, sections 241.26, subdivisions 1 and 5; 243.23, subdivision 3; 243.52; 260.311, subdivisions 1 and 5; 401.01, subdivision 1; 401.02, subdivisions 1 and 4; and 401.11.

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

Page 3, line 15, strike "241.01,"

Page 3, line 16, strike "subdivision 8,"

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

adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 871: A bill for an act relating to health; authorizing the commissioner of health to inspect certain business premises; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

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

Delete everything after the enacting clause and insert:

"Section 1. [145.94] [HAZARDOUS SUBSTANCE EXPOSURE.]

Subdivision 1. [INSPECTION OF PREMISES.] For the purpose of determining hazardous substance exposure to the community, the commissioner of health may enter the premises of any employer as defined in section 182.651, subdivision 7, to conduct an investigation specifically relating to the actual, suspected, or potential release of a hazardous substance for which there is evidence of exposure or risk of exposure to the community. The commissioner shall present to the employer an oral or written statement of the reason, nature, and scope of the investigation at a particular location, prior to the start of the investigation. As part of the investigation, and upon request to the employer, the commissioner must be allowed access to information required under the employee right-to-know act to determine if there are existing or potential health hazards to the community due to the release of any hazardous substance which originates in the workplace of the employer.

Subd. 2. [DISCLOSURE OF HAZARDOUS SUBSTANCES INFOR-MATION.] The commissioner may disclose to individual private citizens, or to the community if appropriate, pertinent information relating to the hazardous properties and health hazards of hazardous substances released from a workplace if the commissioner determines that:

(1) there is evidence that a person requesting the information may have suffered or is likely to suffer illness or injury as a result of exposure to one or more of the hazardous substances; or

(2) there is evidence of a community health risk and the commissioner seeks through his or her authority, or through some other agency, to have the employer cease an activity which results in release of a hazardous substance.

Information which is a trade secret as defined in section 325C.01; classified information; and chemical names, trade names, or product formulations; are nonpublic data. For purposes of this section, "classified information" means information or data which, for security reasons, has been given a special security classification such as "secret," "confidential," "private," or "nonpublic," by federal statute, rule, or by other means which, when so classified, is subject to handling, use, and storage in accordance with established standards to prevent unauthorized use or disclosure. In the event information is required for the diagnosis, treatment, or prevention of illness or injury, a personal physician may be provided with this information if the physician agrees to preserve the confidentiality of the information. Following the disclosure of any hazardous substance information relating to 30TH DAY]

a particular workplace, the commissioner shall advise the employer of the specific information disclosed, the date of the disclosure, and the person or persons who received the information.

## Sec. 2. [APPROPRIATION.]

\$100,000 is appropriated from the general fund to the commissioner of health for the purpose of section 1, to be available until June 30, 1987.

## Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "providing for disclosure of hazardous substances information in certain cases;"

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

Ms. Berglin from the Committee on Health and Human Services, to which was re-referred

S.F. No. 998: A bill for an act relating to environment; requiring government action to determine and decrease the health risks attributable to exposure to or absorption of lead; providing for duties of the pollution control agency and the commissioner of health; providing a penalty; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 116; 144; and 325E.

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

Page 2, line 5, delete everything after the period

Page 2, line 6, delete everything before "In"

Page 2, line 21, after "exceeds" insert "the interim soil lead standard of" and after the period, insert "After adoption of the rules required under section 3, subdivision 1, the agency shall refer to the commissioner all sites with levels above the soil lead standard adopted in the rules."

Page 2, line 27, delete "In the absence of" and insert "Regardless of any"

Page 2, line 28, delete "commissioner" and insert "agency"

Page 2, line 29, delete "notify the agency of the need for" and insert "take a"

Page 2, line 35, after the period, insert "In addition, the agency rules must include provisions which preserve existing ground cover over soil with lead levels above the standard."

Page 3, line 4, after "account" insert "the potential for children's contact with the soil and the existing level of lead in the soil and may consider"

Page 3, line 6, delete everything after the comma

Page 3, line 7, delete everything before "and"

Page 3, line 12, delete everything after "sites"

## Page 3, delete line 13

Page 3, line 14, delete everything before the period and insert "with levels above the interim standard"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1025: A bill for an act relating to human services; establishing demonstration projects for services to the mentally ill and chemically dependent; appropriating money.

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

Page 6, after line 14, insert:

"(4) the effect on the clinical outcome for the patient;"

Renumber the clauses in sequence

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 226: A bill for an act relating to human services; establishing limits on payments to vendors of services in the medical assistance and general assistance programs; amending Minnesota Statutes 1984, section 256.967.

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 1984, section 256.967, is amended to read:

## 256.967 [MEDICAL CARE PAYMENTS; LIMITATIONS ON FEES.]

For the biennium ending June 30, 1985 1987, all payments for vendors of medical care under general assistance medical care shall be based upon this standard: the 50th 40th percentile of usual and customary fees based upon medical assistance billings during the previous calendar year 1978. All payments for vendors of medical care under medical assistance shall be limited to the 50th 40th percentile of usual and customary fees based upon billings during the previous calendar year 1979. All payments for vendors of medical care under medical assistance shall be limited to the 50th 40th percentile of usual and customary fees based upon billings during the previous calendar year 1979 for physician services, dental care, vision care, podiatric services, chiropractic care, physical therapy, occupational therapy, speech pathologists, audiologists, emergency medical transportation services, mental health centers, psychologists, public health clinics, and independent laboratory and xray services. Rates paid to private duty nurses under the medical assistance program shall be increased by 20 percent from the rate paid during fiscal year 1985."

#### 30TH DAY]

# Delete the title and insert:

"A bill for an act relating to human services; raising the limits on payments to vendors under the medical assistance and general assistance medical care programs; amending Minnesota Statutes 1984, section 256.967."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 912: A bill for an act relating to human services; providing state hospital revolving fund for chemical dependency; creating a consolidated fund for payment of chemical dependency treatment; appropriating money to counties for treatment; providing for client eligibility, vendor eligibility, and state collections; providing for American Indian special funding; removing chemical dependency treatment from medical assistance, general assistance medical care, and general assistance funding; amending Minnesota Statutes 1984, sections 246.04; 246.18; 246.23; 246.50, by adding a subdivision; 246.51, subdivision 1; 246.54; 256B.02, subdivision 8; 256B.70; and 256D.03, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 246; and proposing coding for new law as Minnesota Statutes, chapter 254B.

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

Page 20, line 11, after the period, insert "The commissioner shall see to it that cooperative and effective relationships are developed between counties and state hospitals and between the various state hospital chemical dependency programs. In carrying out this responsibility the commissioner shall maintain and enhance a regionally based system of chemical dependency programs."

Page 22, line 33, delete everything after "expand"

Page 22, line 34, delete "eliminate"

Page 22, line 35, delete everything after the period

Page 22, delete line 36

Page 23, delete lines 1 to 3

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 908: A bill for an act relating to human services; expanding medical assistance eligibility for young mothers living at home with parents; allowing prenatal services to be delivered to pregnant women living at home; amending Minnesota Statutes 1984, sections 256.99; 256B.02, subdivisions 2 and 3; 256B.06, subdivision 1; 256B.062; and 256B.17, subdivision 6.

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

#### Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1984, section 256.12, subdivision 20, is amended to read:

Subd. 20. [ASSISTANCE UNIT.] "Assistance unit" means the group of individuals who are applying for or receiving assistance and whose needs or income, or both, are taken into account included in determining eligibility for or the amount of a grant of assistance as determined under sections 256.72 to 256.87.

Sec. 2. Minnesota Statutes 1984, section 256.73, subdivision 2, is amended to read:

Subd. 2. [ALLOWANCE BARRED BY OWNERSHIP OF PROP-ERTY.] Ownership by the father, mother, child, children, or any combination, an assistance unit of property as follows is a bar to any allowance under sections 256.72 to 256.87:

(1) The value of real property other than the homestead, which when combined with other assets exceeds the limits of paragraph (2), unless the assistance unit is making a good faith effort to sell the nonexcludable real property. The time period for disposal must not exceed nine months and the assistance unit shall execute an agreement to dispose of the property to repay assistance received during the nine months up to the amount of the net sale proceeds. The payment must be made when the property is sold. If the property is not sold within the required time or the assistance unit becomes ineligible for any reason the entire amount received during the nine months shall be considered an overpayment and subject to recovery. For the purposes of this section "homestead" means the house owned and occupied by the child, relative or other member of the assistance unit as his dwelling place, together with the land upon which it is situated and in an area no greater than two contiguous lots in a platted or laid out city or town or 80 contiguous acres in unplatted land rural areas; or

(2) Personal property of an equity value in excess of \$1,000 for the entire assistance unit, exclusive of personal property used as the home, one motor vehicle of an equity value not exceeding \$1,500, one burial plot for each member of the assistance unit, one prepaid burial contract with the equity value not exceeding \$1,000 for each member of the assistance unit, clothing and necessary household furniture and equipment and other basic maintenance items essential for daily living, in accordance with rules promulgated by and standards established by the commissioner of human services.

Sec. 3. Minnesota Statutes 1984, section 256.73, subdivision 3a, is amended to read:

Subd. 3a. [PERSONS INELIGIBLE.] No assistance shall be given under sections 256.72 to 256.87:

(1) On behalf of any person who is receiving supplemental security income under title XVI of the social security act unless permitted by federal regulations;

(2) For any month in which the assistance unit's gross income, without

application of deductions or disregards, exceeds 150 185 percent of the standard of need for a family of the same size and composition, except that the earnings of a dependent child who is a full-time student may be disregarded for six calendar months per year; and the earnings of a dependent child who is a full-time student, if those earnings are derived from the jobs training and partnership act, may be disregarded for six calendar months per year. If a stepparent's income is taken into account in determining need, the disregards specified in section 256.74, subdivision 1a shall be applied to determine income available to the assistance unit before calculating the unit's gross income for purposes of this paragraph;

(3) To any assistance unit for any month in which any caretaker relative with whom the child is living is, on the last day of that month, participating in a strike;

(4) On behalf of any other individual in the assistance unit, nor shall the individual's needs be taken into account, for any month in which, on the last day of the month, the individual is participating in a strike;

(5) To an assistance unit if its eligibility is based on a parent's unemployment and the parent who is the principal earner, without good cause, fails or refuses to *seek work, to* participate in the work incentive program under section 256.736, *if this program is available*, to accept employment, or to register with a public employment office, unless the principal earner is exempt from these work requirements.

Sec. 4. Minnesota Statutes 1984, section 256.73, subdivision 6, is amended to read:

Subd. 6. [REPORTS BY RECIPIENT.] Each recipient shall complete reports as requested by the local or state agency. Each assistance unit with a recent work history or with earned income shall report monthly to the local agency on income received and other circumstances affecting eligibility or assistance amounts. All other assistance units shall report on income and other circumstances affecting eligibility and assistance amounts at less frequent intervals, as specified by the state agency. All income not specifically disregarded by the social security act, the code of federal regulations, or state law, rules and regulations, shall be income applicable to the budgetary needs of the family. If any amount of aid to families with dependent children assistance is paid to a recipient thereof in excess of the payment due it shall be recoverable by the local agency. The agency shall give written notice to the recipient of its intention to recover the overpayment. Overpayments to a current assistance unit shall be recovered either through repayment by the individual in part or in full or by reducing the amount of aid payable to the assistance unit of which the individual is a member. For any month in which an overpayment must be recovered, recoupment may be made by reducing the grant but only if the reduced assistance payment, together with the assistance unit's liquid assets and total income after deducting actual work expenses equals at least 95 percent of the standard of need for the assistance unit, except that if the overpayment is due solely to agency error, this total after deducting actual work expenses shall equal at least 99 percent of the standard of need. In cases when there is both an overpayment and underpayment the local agency shall offset one against the other in correcting the payment. The local agency shall make reasonable efforts to recover overpayments paid to persons no longer on assistance in accordance with standards established by the commissioner of human services. The local agency need not attempt to recover overpayments of less than \$35 paid to an individual no longer on assistance if the individual does not receive assistance again within three years unless the individual has been convicted of fraud under section 256.98. The recipient may appeal the agency's determination that an overpayment has occurred in accordance with section 256.045. The county agency shall promptly repay the recipient for any underpayment and shall disregard that payment when determining the assistance unit's income and resources in the month when the payment is made and the following month.

Sec. 5. Minnesota Statutes 1984, section 256.736, subdivision 3, is amended to read:

Subd. 3. [OPERATION OF PROGRAM.] To determine who shall be designated as an appropriate individual for certification to the commissioner of economic security, the commissioner of human services shall provide standards for county welfare agencies and human services boards consistent with the standards promulgated by the secretary of health and human services. County welfare agencies shall certify appropriate individuals to the commissioner of economic security and shall require that every individual, as a condition of receiving aid to families with dependent children, register for employment services, training, and employment, unless such individual is:

(1) a child who is under age 16, a child age 16 or 17 who is attending elementary or secondary school or a secondary level vocational or technical school full time, or a full-time student age 18 who is attending a secondary school or a secondary level vocational or technical program and who is expected to complete the school or program before reaching age 19;

(2) a person who is ill, incapacitated or of advanced age;

(3) a person so remote from a work incentive project that his effective participation is precluded;

(4) a person whose presence in the home is required because of illness or incapacity of another member of the household;

(5) a parent or other caretaker relative of a child under the age of six who personally provides full-time care for the child;

(6) a parent or other caretaker if another adult relative in the house assistance unit is registered and has not, without good cause, failed or refused to participate or accept employment; or

(7) a parent who is not the principal earner if the parent who is the principal earner is not exempt under clauses (1) to (6), or

(8) a woman in her last trimester of pregnancy.

Any individual referred to in clause (5) shall be advised of the option to register for employment services, training, and employment if the individual so desires, and shall be informed of the child care services, if any, which will be available if the individual decides to register.

If, after planning with a recipient, a decision is made that the recipient must

register for employment services, training, and employment, the county welfare department shall give notice in writing to the recipient stating that he or she must register with the commissioner of economic security for participation in a work incentive program and that the recipient has a right to a fair hearing under section 256.045 with respect to the appropriateness of the registration.

Sec. 6. Minnesota Statutes 1984, section 256.736, subdivision 4, is amended to read:

Subd. 4. [CONDITIONS OF CERTIFICATION.] The commissioner of human services shall:

(1) Arrange for or provide any relative or child certified to the commissioner of economic security pursuant to this section with child-care services and other necessary family services;

(2) Pay ten percent of the cost of programs of training and employment established by the commissioner of economic security for persons certified hereunder:

(3) Provide that in determining a recipient's needs any monthly incentive training payment made to the recipient by the department of economic security is disregarded and the additional expenses attributable to his participation in a program are taken into account in grant determination; and

(4) Provide that when it has been certified by the commissioner of economic security, certification to be binding upon the commissioner of human services, that a relative or child certified under the work incentive program to the commissioner of economic security has been found by the commissioner, after a hearing conducted in the manner prescribed by section 268.10, subdivision 3, with the right of review in accordance with the provisions of section 268.10, subdivision 8, to have refused without good cause to participate under a work incentive program or to have refused without good cause to accept a bona fide offer of public or other employment, the county welfare departments shall provide that:

(a) If the relative makes the refusal, the relative's needs shall not be taken into account in making the grant determination, and aid for any dependent child in the family will be made in the form of *protective or* vendor payments, except that when protective payments are made, the local agency may continue payments to the relative if a protective payee cannot reasonably be found.

(b) Aid with respect to a dependent child will be denied if a child who makes the refusal is the only child receiving aid in the family.

(c) If there is more than one child receiving aid in the family, aid for the child who makes the refusal will be denied and his needs will not be taken into account in making the grant determination. If the assistance unit's eligibility is based on the *nonexempt* principal earner's unemployment and the *this* principal earner fails or refuses without good cause to participate or to accept employment, the entire assistance unit is ineligible for benefits under sections 256.72 to 256.87.

Sec. 7. Minnesota Statutes 1984, section 256.74, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] The amount of assistance which shall be granted to or on behalf of any dependent child and mother or other needy eligible relative caring for the dependent child shall be determined by the county agency in accordance with rules promulgated by the commissioner and shall be sufficient, when added to all other income and support available to the child, to provide the child with a reasonable subsistence compatible with decency and health. The amount shall be based on the method of budgeting required in Public Law No. 97-35, Section 2315, 42 U.S.C. 602, as amended and federal regulations at 45 C.F.R. Section 233. Nonrecurring lump sum income received by an assistance unit shall be budgeted in the normal retrospective cycle. The number of months of ineligibility must be determined by dividing the sum of the lump sum income and all other income. after application of the applicable disregards, by the standard of need for the assistance unit. Any amount remaining after this calculation must be income in the first month of eligibility. If the total monthly income including the lump sum income is larger than the standard of need for a single month the first month of ineligibility shall be the payment month that corresponds with the budget month in which the lump sum income was received. In making its determination the county agency shall disregard the following from family income:

(1) All of the earned income of each dependent child receiving aid to families with dependent children who is a full-time student or part-time student, and not a full-time employee, attending a school, college, or university, or a course of vocational or technical training designed to fit him for gainful employment as well as all the earned income derived from the job training and partnership act (JTPA) for a dependent child for six calendar months per year, together with unearned income derived from the job training and partnership act;

(2) All educational grants and loans awarded pursuant to a federal law when public assistance was considered in making the award and the award was made on the basis of financial need; and that part of any other educational grant or loan which is used for educational purposes, such as tuition, fees, equipment, transportation and child care expenses necessary for school attendance;

(3) The first \$75 of each individual's earned income. In the case of an individual not engaged in full time employment or not employed throughout the month the commissioner shall prescribe by rule a lesser amount to be disregarded. For self-employed persons, the expenses directly related to producing goods and services and without which the goods and services could not be produced shall be disregarded pursuant to rules promulgated by the commissioner;

(4) An amount equal to the actual expenditures but not to exceed \$160 for the care of each dependent child or incapacitated individual living in the same home and receiving aid. In the case of a person not engaged in full-time employment or not employed throughout the month, the commissioner shall prescribe by rule a lesser amount to be disregarded; and

(5) Thirty dollars plus one-third of the remainder of each individual's earned income not already disregarded for individuals found otherwise eligible to receive aid or who have received aid in one of the four months before

the month of application. With respect to any month, the county welfare agency shall not disregard under this clause any earned income of any person who has:

(a) Reduced his earned income without good cause within 30 days preceding any month in which an assistance payment is made; or

(b) Refused without good cause to accept an offer of suitable employment; or

(c) Left employment or reduced his earnings without good cause and applied for assistance so that he might later return to employment with the advantage of the income disregard; or

(d) Failed without good cause to make a timely report of earned income in accordance with rules promulgated by the commissioner of human services.

Persons who are already employed and who apply for assistance shall have their needs computed with full account taken of their earned and other income. If earned and other income of the family is less than need, as determined on the basis of public assistance standards, the county agency shall determine the amount of the grant by applying the disregard of income provisions. The county agency shall not disregard earned income for persons in a family if the total monthly earned and other income exceeds their needs, unless for any one of the four preceding months their needs were met in whole or in part by a grant payment.

The disregard of \$30 and one-third of the remainder of earned income described in clause (5) shall be applied to the individual's income for a period not to exceed four consecutive months. Any month in which the individual loses this disregard because of the provisions of clause (5)(a) to (5)(d) shall be considered as one of the four months. An additional \$30 work incentive must be available for an eight-month period beginning in the month following the last month of the combined \$30 and one-third work incentive. This period must be in effect whether or not the person has earned income or is eligible for AFDC. To again qualify for this the earned income disregard disregards under clause (d), the individual must not be a recipient of aid for a period of 12 consecutive months. If When an individual assistance unit becomes ineligible for aid because this earned income disregard has been applied to income for four consecutive months and will due to the fact that these disregards are no longer be applied to income, the local agency shall inform the individual of the medical assistance program, its standards of eligibility, and the circumstances under which the individual would the assistance unit shall be eligible for medical assistance benefits for a 15-month period beginning with the first month of AFDC ineligibility;

(6) The commissioner shall increase the standard of need for persons with earned income in effect on January 1, 1982, by 35 percent for each assistance unit. The maximum amount paid to an assistance unit shall be no more than 74 percent of the increased standard of need. Whenever the commissioner increases the maximum payment amount for all assistance units, the commissioner shall increase the maximum standard of need by an equal percentage.

To determine the amount of assistance to be paid to an assistance unit, net income shall be determined in a manner consistent with this chapter and applicable federal law. Net earned income shall be subtracted from the increased standard of need for an assistance unit of the appropriate size and composition to determine the grant amount, except that the grant shall not exceed the standard of need in effect on January 1, 1982 for an assistance unit of the same size and composition. Uncarned income shall be subtracted from the maximum payment amount for an assistance unit of the appropriate size and composition to determine the grant amount.

Medical assistance eligibility for medically needy persons who are eligible for aid to families with dependent children shall be determined according to the standard of need in effect on January 1, 1982 The first \$50 per assistance unit of the monthly support obligation collected by the support and recovery (IV-D) unit; and

(7) Insurance settlements to pay medical bills, to compensate a member of an assistance unit for partial or permanent loss of function or a body part, or to repair or replace insured property.

Sec. 8. Minnesota Statutes 1984, section 256.74, subdivision 1a, is amended to read:

Subd. 1a. [STEPPARENT'S INCOME.] In determining income available, the county agency shall take into account the remaining income of the dependent child's stepparent who lives in the same household after disregarding:

(1) The first \$75 of the stepparent's gross earned income. The commissioner shall prescribe by rule lesser amounts to be disregarded for stepparents who are not engaged in full-time employment or not employed throughout the month;

(2) An amount for support of the stepparent and any other individuals whom the stepparent claims as dependents for tax purposes and who live in the same household but whose needs are not considered in determining eligibility for assistance under sections 256.72 to 256.87. The amount equals the standard of need for a family with no earned income of the same composition as the stepparent and these other individuals;

(3) Amounts the stepparent actually paid to individuals not living in the same household but whom the stepparent claims as dependents for tax purposes; and

(4) Alimony or child support, or both, paid by the stepparent for individuals not living in the same household.

Sec. 9. Minnesota Statutes 1984, section 256.74, subdivision 2, is amended to read:

Subd. 2. [APPLICATION.] Application for assistance under sections 256.72 to 256.87 shall be made to the county agency of the county in which the dependent child is residing lives. If the child is not residing living within the state at the time of application but is eligible for assistance, the application may be made to the agency of the county where the child is present and forwarded to the agency of the county where the child last resided lived. The application shall be in writing or reduced to writing in the manner and upon the form prescribed by the state agency and verified by the oath of the applicant or in lieu thereof shall contain the following declaration which shall be signed by the applicant: "I declare that this application has been examined by

me and to the best of my knowledge and belief is a true and correct statement of every material point". The application shall be made by the person with whom the child will live and contain information as to the age and residence of the child and such other information as may be required by the rules and regulations of the state agency. One application may be made for several children of the same family if they reside live with the same person.

Sec. 10. Minnesota Statutes 1984, section 256.76, subdivision 1, is amended to read:

Subdivision 1. Upon the completion of such investigation the county agency shall decide whether the child is eligible for assistance under the provisions of sections 256.72 to 256.87, determine the amount of such assistance, and the date on which such assistance shall begin. Notwithstanding the provisions of section 393.07, the county agency shall not delay approval. or issuance of assistance pending formal action of the county board of commissioners. The first month's grant shall be based upon that portion of the month from the date of application, or from the date that the applicant meets all eligibility factors, whichever occurs later, provided that on the date that assistance is first requested, the local agency shall inquire and determine whether the person requesting assistance is in immediate need of food, shelter, clothing, or other emergency assistance. If an emergency need is found to exist, the applicant shall be granted assistance pursuant to section 256.871 within a reasonable period of time. It shall make a grant of assistance which shall be binding upon the county and be complied with by the county until such grant is modified or vacated. If the applicant is subsequently found to have been eligible for assistance under sections 256.72 to 256.87, assistance rendered under section 256.871 shall be considered as a regular AFDC payment and shall no longer be considered a payment under section 256.871. The county agency shall notify the applicant of its decision in writing. Such assistance shall be paid monthly to the applicant or to the vendor of medical care upon order of the county agency from funds appropriated to the county agency for this purpose. The county agency shall, upon the granting of assistance under these sections, file an order on the form to be approved by the state agency with the auditor of the county and thereafter warrants shall be drawn and payments made only in accordance with this order to or for recipients of this assistance or in accordance with any subsequent order.

Sec. 11. Minnesota Statutes 1984, section 256.78, is amended to read:

#### 256.78 [ASSISTANCE GRANTS RECONSIDERED.]

All assistance granted under sections 256.72 to 256.87 shall be reconsidered as frequently as may be required by the rules of the state agency. After such further investigation as the county agency may deem necessary or the state agency may require, the amount of assistance may be changed or assistance may be entirely withdrawn if the state or county agency find that the child's circumstances have altered sufficiently to warrant such action. The period of ineligibility for AFDC which results when an assistance unit receives lump sum income must be reduced when: the assistance unit's standard of need increases due to changes in state law or due to changes in the size or composition of the assistance unit, so that the amount of aid the assistance unit would receive would have increased had it not become ineligible; or the lump sum income, or a portion thereof, becomes unavailable to the assistance unit due to expenditures to avoid a life-threatening circumstance, theft, or dissipation by a member of the family who is no longer a part of the assistance unit for the needs of persons who are not members of the assistance unit; or the assistance unit incurs and pays medical expenses for care and services specified in section 256B.02, subdivision 8. The county agency may for cause at any time revoke, modify, or suspend any order for assistance previously made. When assistance is thus revoked, modified, or suspended the county agency shall at once report to the state agency such decision together with supporting evidence required by the rules of the state agency. All such decisions shall be subject to appeal and review by the state agency as provided in section 256.045.

Sec. 12. Minnesota Statutes 1984, section 256.79, is amended to read:

#### 256.79 [REMOVAL TO ANOTHER COUNTY.]

Any child qualified for and receiving assistance pursuant to the provisions in sections 256.72 to 256.87 in any county in this state, who moves or is taken to another county in this state shall be entitled to continue to receive assistance from the county from which he the child has moved or has been taken until he the child shall have resided for two months in the county to which he the child has moved. When he the child has resided two months in the county to which he the child has moved, or has been taken, the local agency of the county from which he the child has moved shall transfer all necessary records relating to the child to the county agency of the county to which he the child has moved. Where the child's assistance is terminated for 30 days or less before a reapplication is made, that assistance must continue to be the financial obligation of the county from which the child has moved until the two-month residence requirement has been met.

Notwithstanding the provisions of section 256.73, subdivision 4, the county of financial responsibility shall not change because application for assistance is not made prior to initial placement, or when living in a battered woman's shelter or maternity shelter, or as a result of successive placements in one or more counties pursuant to a plan of treatment for health, rehabilitation, foster care, child care or training, nor as a result of placement in any correctional program. In the case of a child who has no established county of residence prior to placement, the county of financial responsibility shall be the county in which the child resides at the time the application is made and the applicable eligibility criteria are met.

Sec. 13. Minnesota Statutes 1984, section 256.871, subdivision 3, is amended to read:

Subd. 3. [COUNTY OF RESPONSIBILITY.] No state or county durational residence is required to qualify for such assistance. The county which shall be financially responsible and grant assistance shall be the county wherein the child resides lives who is found to be in emergency need. Such county may obtain reimbursement from another county wherein the child has residence as provided in section 256.73."

Page 5, line 12, after "standards" insert "designated below:

(a) For persons who meet the criteria of clause (4) or (8) and persons who would qualify for aid to families with dependent children except for the

amount of income and resources, the annual income received or anticipated must not exceed 133-1/3 percent of the income standard by family size used in the aid to families with dependent children program. For these persons, the commissioner shall, to the extent possible, provide covered medical services through health maintenance organizations; health insurance plans, or other forms of private health coverage. The commissioner may secure medical services for an eligible individual or family by paying or subsidizing the cost of private health care coverage available through an employer or other source. The commissioner may seek waivers from federal requirements as necessary to implement this section.

(b) For all other persons, the annual income received or anticipated must not exceed the income standards'?

Page 5, line 13, strike ", or" and insert ".

Medical assistance may be paid for any otherwise eligible person"

Page 6, line 34, delete "nine" and insert "15"

Page 7, after line 1, insert:

"Sec. 19. Minnesota Statutes 1984, section 256B.07, is amended to read:

# 256B.07 [EXCEPTIONS IN DETERMINING RESOURCES.]

A local agency may, within the scope of regulations set by the commissioner of human services, waive the requirement of liquidation of excess assets when the liquidation would cause undue hardship. When an undue hardship waiver is granted due to excess assets created through a transfer of property under section 256B.17, subdivision 1, a cause of action exists against the person to whom the assets were transferred for that portion of medical assistance granted within 24 months of the transfer, or the amount of the uncompensated transfer, whichever is less, together with the costs incurred due to the action. The action may be brought by the state or county agency responsible for providing medical assistance under section 256B.02, subdivision 3. Household goods and furniture in use in the home, wearing apparel, and personal property used as a regular abode by the applicant or recipient and a lot in a burial plot shall not be considered as resources available to meet medical needs."

Page 7, after line 35, insert:

"Sec. 21. Minnesota Statutes 1984, section 256D.01, subdivision 1a, is amended to read:

Subd. 1a. [STANDARDS.] A principal objective in providing general assistance is to provide for persons ineligible for federal programs who are unable to provide for themselves. To achieve these aims, the commissioner shall establish minimum standards of assistance for general assistance. The minimum standard of assistance determines the total amount of the general assistance grant without separate standards for shelter, utilities, or other needs and.

For a recipient who is a member of a one-person assistance unit, the standard shall not be less than the combined total of the minimum standards of assistance for shelter and basic needs in effect on February 1, 1983. The standards of assistance shall not be lower for a recipient sharing a residence

with another person unless that person is a responsible relative. The standards of assistance for recipients who are members of an assistance unit composed of more than one person must be equal to the aid to families with dependent children standard of assistance for a family of similar size and composition.

The standards shall be lowered for recipients who share a residence with a responsible relative who also receives general assistance or who receives AFDC person who is a responsible relative of one or more members of the assistance unit if the responsible relative also receives general assistance or aid to families with dependent children. The standards shall also be lowered for recipients who share a residence with a responsible relative if the relative would be receiving general assistance or aid to families with dependent children but is not receiving the assistance because the relative has been sanctioned or disqualified. If the responsible relative is receiving AFDC general assistance or aid to families with dependent children, or would be receiving them but for sanction or disqualification, then the amount payable standard applicable to the general assistance recipient recipient's assistance unit must not exceed equal the amount that would be attributable to him if he were included in the AFDC to the members of the assistance unit if the members were included as additional recipients in the responsible relative's general assistance or aid to families with dependent children grant.

In determining the amount attributable to members of an assistance unit which must receive a reduced standard, the amount attributed to adults shall be the amount attributed to another child added to the responsible relative's assistance unit. When an assistance unit is subject to a reduced standard, the reduced standard shall not exceed that applicable to an assistance unit which does not share a residence with a responsible relative.

Notwithstanding section 256D.05, subdivision 1, any recipient of aid to families with dependent children whose earned income is reduced but whose assistance under the AFDC program is not adjusted accordingly by reason of the operation of the budgeting procedures prescribed under section 245.74 and the rules adopted by the commissioner shall be paid assistance under this section. The amount of assistance payable under this section shall be sufficient to insure that the assistance unit's income equals but does not exceed the standard of assistance in the AFDC program for an assistance unit of like size and composition.

For recipients who are not exempt from registration with the department of economic security pursuant to section 256D.111, subdivision 2, clauses (a), (f), (g), and (h), and who share a residence with a responsible relative who is not eligible for receiving general assistance or aid to families with dependent children but who receives other income, the standards shall be lowered, subject to these limitations:

(a) The general assistance grant to the one-person assistance unit shall be in an amount such that total household income is equal to the AFDC standard for a household of like size and composition, except that the grant shall not exceed that paid to a general assistance recipient living independently.

(b) Benefits received by a responsible relative under the supplemental security income program, social security retirement program, the social security disability program, a workers' compensation program, the Minnesota supplemental aid program, or on the basis of the relative's disability, must

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not be included in the household income calculation.

Sec. 22. Minnesota Statutes 1984, section 256D.01, subdivision 1b, is amended to read:

Subd. 1b. [RULES.] The commissioner shall may adopt emergency rules and shall adopt permanent rules to set standards of assistance and methods of calculating payment to conform with subdivision 1a. The minimum standards of assistance shall authorize the payment of rates negotiated by local agencies for recipients living in a room and board arrangement. Except for payments made to a secure crisis shelter under section 256D.05, subdivision 3, monthly general assistance payments for rates negotiated by a local agency on behalf of recipients living in a room and board, boarding care, supervised living, or adult foster care arrangement must not exceed the limits established under the Minnesota supplemental aid program. In order to maximize the use of federal funds, the commissioner shall adopt rules, to the extent permitted by federal law for eligibility for the emergency assistance program under aid to families with dependent children, and under the terms of sections 256D.01 to 256D.21 for general assistance, to require use of the emergency program under aid to families with dependent children as the primary financial resource when available. The commissioner shall provide by rule for eligibility for general assistance of persons with seasonal income, and may attribute seasonal income to other periods not in excess of one year from receipt by an applicant or recipient.

Sec. 23. Minnesota Statutes 1984, section 256D.06, is amended by adding a subdivision to read:

Subd. 1b. [EARNED INCOME SAVINGS ACCOUNT.] In addition to the \$50 disregard mandated by subdivision 1, the local agency shall disregard an additional earned income up to a maximum of \$150 per month for persons residing in facilities licensed under Minnesota Rules, parts 9520.0500 to 9520.0690 and for whom discharge and work are part of a treatment plan. The additional amount disregarded shall be placed in a separate savings account by the eligible individual, to be used upon discharge from the residential facility into the community. A maximum of \$1,000, including interest, of the funds in the savings account must be excluded from the resource limits established by section 256D.08, subdivision 1, clause (1). Amounts in that account which are in excess of \$1,000 must be applied to the resident's cost of care.

If excluded funds are removed from the savings account by the eligible individual at any time before he or she is discharged from the facility into the community, the funds must be considered income to the individual in the month of receipt and must be considered a resource in subsequent months.

If an eligible individual moves from a community facility to an inpatient hospital setting, the separate savings account must continue to be considered an excluded asset for a period of up to 18 months. During that period of time, amounts that accumulate in excess of the \$1,000 savings limit must be applied to the patient's cost of care. If the patient continues to be hospitalized at the conclusion of the 18-month period, the entire account must be applied to the patient's cost of care.

Sec. 24. [APPROPRIATION.]

\$676,000 is appropriated from the general fund to the commissioner of human services for grants under section 245.73. This appropriation is available for the biennium ending June 30, 1987. This appropriation is in addition to the appropriation to continue services currently funded under section 245.73; the commissioner of human services shall use this supplement to assure continuation of appropriate care and services for mentally ill residents of facilities affected by the limits in section 256D.01, subdivision 1b.

Sec. 25. [EFFECTIVE DATE.]

Section 11 is effective the day following final enactment."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to human services; revising procedures and requirements under the aid to families with dependent children, medical assistance, and general assistance programs; appropriating money; amending Minnesota Statutes 1984, sections 256.12, subdivision 20; 256.73, subdivisions 2, 3a, and 6; 256.736, subdivisions 3 and 4; 256.74, subdivisions 1, 1a, and 2; 256.76, subdivision 1; 256.78; 256.79; 256.871, subdivision 3; 256.99; 256B.02, subdivisions 2 and 3; 256B.06, subdivision 1; 256B.062; 256B.07; 256B.17, subdivision 6; 256D.01, subdivisions 1a and 1b; and 256D.06, by adding a subdivision."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1117: A resolution memorializing the President and Congress of the United States to amend the Social Security Act to reverse overly-restrictive administrative interpretation of that act.

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 983: A bill for an act relating to human services; allowing the commissioner of human services to participate in a pilot health care program for the uninsured poor; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

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

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

S.F. No. 539: A bill for an act relating to agriculture; repealing requirements for a department slogan on printed matter; changing emergency rulemaking authority; creating a statistical services account in the state treasury; clarifying membership requirements for the soil and water conservation board; appropriating money; amending Minnesota Statutes 1984, sections 17.03, by adding a subdivision; and 40.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 1984, sections 16.51; 16.52; and 16.53.

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

Delete everything after the enacting clause and insert:

# "Section I. [17.038] [STATISTICAL SERVICES ]

The statistical services account is established in the state treasury. All payments for statistical services performed by the agricultural statistics division of the department of agriculture must be deposited in the state treasury and credited to the statistical services account. The money in the account is annually appropriated to the commissioner of agriculture to administer the programs of the agricultural statistics division.

Sec. 2. Minnesota Statutés 1984, section 40.03, subdivision 1, is amended to read:

Subdivision 1. [MEMBERS.] There is hereby established, to serve as an agency within the department of agriculture and to perform the functions conferred upon it in this chapter, the state soil and water conservation board to be composed of 12 members, seven of whom shall be elected supervisors and the following five ex-officio members: The director of the agricultural extension service of the University of Minnesota; the dean deputy vice president of the Institute of Agriculture, Forestry, and Home Economics of the University of Minnesota; the director of the pollution control agency; the commissioner of agriculture; and the commissioner of natural resources. Each ex-officio member may designate a person within his organization to act in his stead as a member of the state board, with all his rights and privileges. The designation shall be filed with the secretary of state. The state board shall invite the state conservationist of the United States soil conservation service to serve as an advisory member. The state board may also invite a representative of the state association of soil and water conservation districts, the association of Minnesota counties, the league of Minnesota cities and any other organizations and appropriate agencies deemed necessary to serve as advisory members. The seven members of the state board who are elected supervisors shall be appointed by the governor. In making these appointments the governor may consider persons recommended by the state association of soil and water conservation district. One member shall be appointed from each of the state soil and water conservation board administrative regions."

Delete the title and insert:

"A bill for an act relating to agriculture; creating a dedicated account for statistical services in the state treasury; clarifying membership requirements for the soil and water conservation board; appropriating money; amending Minnesota Statutes 1984, section 40.03, subdivision 1; proposing coding for new law in Minnesota Statutes; chapter 17."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted. Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 186: A bill for an act relating to administrative rules; requiring the director of the pollution control agency to amend the rule governing notice of application for a water pollution discharge permit.

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 1984, section 115.03, is amended by adding a subdivision to read:

Subd. 5a. [PUBLIC NOTICE FOR NPDES PERMIT APPLICATION.] The director must give public notice of the completed NPDES permit application for new municipal discharges in the official county newspaper of the county where the discharge is proposed."

Amend the title as follows:

Page 1, lines 3 and 4, delete "amend the rule governing" and insert "give"

Page 1, line 5, before the period, insert "; amending Minnesota Statutes 1984, section 115.03, by adding a subdivision"

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

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

S.F. No. 285: A bill for an act relating to farm loans; eliminating the adoption of federal limitation on the gross receipts of those farms eligible for economic development loans; amending Minnesota Statutes 1984, section 116M.03, subdivision 4.

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

Page 1, lines 16 and 17, delete the new language and insert ", except that for a farm loan the annual gross receipts of the farm business are limited to \$1,000,000"

Amend the title as follows:

Page 1, lines 2 and 3, delete "adoption of federal"

Page 1, line 3, delete "those"

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

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

S.F. No. 512: A bill for an act relating to agriculture; appropriating funds for the Minnesota Agricultural Interpretive Center.

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

Page 1, line 7, delete "204,000" and insert a blank, and delete everything after "fund"

Page 1, delete line 8

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

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

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

S.F. No. 511: A bill for an act relating to public improvements; authorizing the issuance of state bonds for improvements at the Minnesota agricultural interpretive center; appropriating money.

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

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

S.F. No. 518: A bill for an act relating to education; authorizing the establishment of joint vocational technical districts; providing for a governing board; authorizing post-secondary and adult vocational programs, secondary educational programs, and secondary services; providing for separate bargaining units, prohibitions on bumping, and certain other labor issues; transferring all school district real and personal property to the joint district; authorizing the joint district to levy for certain purposes; providing for intention of state funding of construction; providing for bonded indebtedness, fund transfers, and debt service; amending Minnesota Statutes 1984, section 136C.02, subdivisions 6 and 8, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 136D.

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 1984, section 136C.02, subdivision 6, is amended to read:

Subd. 6. [DISTRICT.] "District" means a school district providing postsecondary vocational education or, an intermediate district, or a joint district.

Sec. 2. Minnesota Statutes 1984, section 136C.02, subdivision 8, is amended to read:

Subd. 8. [SCHOOL BOARD.] "School board" means the school board of a district and, in the case of an intermediate district, the board of the an intermediate district, or the board of a joint district.

Sec. 3. Minnesota Statutes 1984, section 136C.02, is amended by adding a subdivision to read:

Subd. 9. [JOINT DISTRICT.] "Joint district" means a joint vocational

# technical district established under section 6.

Sec. 4. Minnesota Statutes 1984, section 136C.41, is amended by adding a subdivision to read:

Subd. 1a. (a) For joint vocational technical districts formed under sections 6 to 15 in which the joint district holds the title to the AVTI, the state portion of debt service costs is the entire amount necessary to make payments due for each school year ending June 30 with respect to qualifying bonds issued to finance post-secondary vocational facilities and interest thereon, reduced by the lesser of:

(1) the local share of all principal, interest, and redemption premiums; or .

(2) the amount escrowed for debt service under section 15, subdivision 2.

(b) The state portion of debt service costs must not be less than what would have been paid under subdivision 1. For the purpose of this subdivision, qualifying bonds include the same bonds described as qualifying bonds in subdivision 1.

Sec. 5. Minnesota Statutes 1984, section 136C.44, is amended to read:

136C.44 [VOCATIONAL TECHNICAL BUILDING APPROPRIATIONS.]

Money appropriated from the state building fund to the state board of vocational technical education for post-secondary vocational technical construction in school districts shall be used for grants to school districts for the acquisition and betterment of land, buildings, and capital improvements for area vocational technical institutes. These grants shall only be made upon the conditions and in accordance with all standards and criteria established in state board rules and in the legislative act authorizing the specific post-secondary vocational facilities project. A grant shall cover 85 percent of the cost of the post-secondary vocational facilities authorized by the specific legislative act, and 15 percent of the cost of these facilities shall be financed by the school district operating the post-secondary vocational technical school, unless otherwise provided by the specific legislative act. A grant to a joint vocational technical district formed under sections 6 to 15 must cover 100 percent of the cost, unless otherwise provided by the specific legislative act. No local bonds shall be authorized, issued, or sold, nor shall any election be held to authorize the issuance of bonds, if the proceeds will be used to finance a project for which specific legislative approval is required, until after that specific legislative approval has been given.

# Sec. 6. [136E.01] [DISTRICTS MAY FORM JOINT VOCATIONAL TECHNICAL DISTRICT.]

Notwithstanding other law, two or more independent school districts each operating an area vocational technical institute may enter into an agreement to establish a joint vocational technical district upon a majority vote of the full membership of each of the boards of the districts entering into the agreement. When resolutions approving the agreement have been adopted by the boards of two or more districts, the resolutions must be filed with the state director of vocational technical education and the commissioner of education. The commissioner shall assign an appropriate identification number as provided in section 122.03.

# Sec. 7. [136E.02] [GOVERNING BOARD.]

Subdivision 1. [MEMBERS.] The district shall be operated by a joint vocational technical board, which shall consist of the number of members from each of the participating school districts specified in the agreement establishing the joint vocational technical district. Board members must be residents of the respective school districts represented and may be members of the school boards of the respective school districts. The first members shall be appointed by their respective school boards. The agreement may provide for election of members to take office at the end of a term of an appointed member. Appointed members serve at the pleasure of their respective school boards and are subject to recall by a majority vote of the appointing board. The election of members is governed by section 123.32. Board members shall report at least quarterly to their appointing boards on the activities of the joint vocational technical district.

Subd. 2. [EX OFFICIO MEMBER.] The director of the joint vocational technical district is an ex officio, nonvoting member of the joint board.

Subd. 3. [TERMS.] The agreement establishing the joint vocational technical district must specify the number of members from each participating district who will serve an initial one-year term and the number of members from each participating district who will serve an initial two-year term. The appointing board shall designate which of the appointees will serve the oneyear term and which of the appointees will serve the two-year term. Terms of office of the members of the joint board expire on June 30. After the initial term, the terms of office of joint board members must be as specified in the agreement. If a vacancy occurs on the joint board, it must be filled by the appropriate school board for the remainder of the unexpired term. A person appointed to the joint board a written certificate of appointment from the member's appointing board.

Subd. 4. [ORGANIZATIONAL MEETINGS.] The first meeting of the first joint board must be at a time mutually agreed to by the members appointed by the boards of the participating school districts. Thereafter the joint board shall conduct its organizational meeting in July of each year when notified of the meeting by the director of the joint vocational technical district. At the organizational meeting, the officers of the joint vocational technical technical district for the current year shall be chosen and other necessary organizational business shall be conducted.

Subd. 5. [OFFICERS.] The officers are a chair, vice-chair, clerk, and treasurer. The chair shall preside at all meetings of the joint board. In the absence of the chair, the vice-chair shall preside. The clerk shall keep a complete record of the minutes of each meeting and the treasurer is the custodian of the funds of the joint vocational technical district. Insofar as applicable, board members and officers of the joint vocational technical district are governed by the laws relating to board members and officers of independent school districts.

Subd. 6. [QUORUM.] A majority of the joint board is a quorum, although a smaller number may adjourn.

## Sec. 8. [136E.03] [POWERS AND DUTIES.]

Subdivision 1. [IN GENERAL.] The joint board has the powers and duties specified in section 136C.05 and other powers specified by law for the board of an independent school district, except that a joint board may levy only according to sections 13, 15, and 275.125, subdivision 14a.

Subd. 2. [PROVISION OF FACILITIES AND SERVICES.] The duty and the function of the joint board is to furnish post-secondary and adult vocational education. The joint board may also provide other secondary educational programs or secondary services requested by a participating district. Secondary offerings may be provided only under the direction of properly licensed personnel.

Subd. 3. [FINANCE.] The joint board shall provide for the conduct of the schools, payment of indebtedness, and payment of other proper expenses of the district.

Subd. 4. [CONTRACTS.] The joint board shall employ and contract with necessary qualified teachers and administrators and may discharge them under section 125.12. The joint board may employ and discharge other necessary employees and may contract for the purchase or sale of educational and other services the joint board considers necessary.

## Sec. 9. [136E.04] [LEGAL STATUS OF JOINT BOARD.]

Subdivision 1. [PUBLIC AGENCY.] The joint board is a public agency and may receive and spend private, federal, and state money made available to it.

Subd. 2. [LIABILITY.] A participating school district has no liability for the debts or obligations of the joint vocational technical district. An individual serving as a member of the joint board has no individual liability for those debts or obligations.

Subd. 3. [APPLICABLE LAWS.] Except as specifically provided to the contrary, the organization, operation, maintenance, and conduct of the affairs of the joint vocational technical district are governed by the general laws relating to independent school districts.

## Sec. 10. [136E.05] [TEACHERS.]

Subdivision 1. [ASSIGNMENT.] (a) When an independent school district becomes a member of the joint vocational technical district, a teacher, as defined in section 125.12, subdivision 1, employed by a member district and primarily assigned as a post-secondary or adult vocational education teacher there, shall be assigned to and become an employee of the joint vocational technical district without further rights to employment in the member district, except that, for a period of two years from the date of assignment, teaching vacancies in the member district from which the teacher was assigned must be offered to the teacher assigned to the joint vocational technical district if:

(1) the teacher was placed on unrequested leave of absence by the joint vocational technical district;

(2) the teacher is properly licensed for the position; and

(3) a transfer or assignment from a post-secondary or adult vocational position to a secondary position would have been authorized in the member district under the contract in effect at the time of that teacher's assignment to the joint vocational technical district.

(b) A teacher who has previously been placed on unrequested leave of absence from a post-secondary or adult vocational education position by an independent school district that becomes a member of the joint vocational technical district only has reinstatement rights to an available post-secondary or adult vocational position in the joint vocational technical district and has no further rights to reinstatement to any post-secondary or adult vocational position in the member district. This reassignment of employment rights is not a leaving of employment for eligibility for payments under section 465.72 or under a policy or contract based on that section.

Subd. 2. [EXCLUSIVE REPRESENTATIVE.] The employee organization certified as the exclusive representative for the teachers in a particular member district who are assigned to the joint vocational technical district upon its establishment shall continue as the exclusive representative for those teachers until that organization is decertified or another organization is certified in its place under this subdivision. After the commissioner assigns an identification number to the joint vocational technical district, any employee organization representing teachers in the joint vocational technical district may petition the director of the bureau of mediation services for a certification election proceeding under chapter 179A. For purposes of certification of an exclusive representative, the teachers assigned to the joint vocational technical district are an appropriate unit of employees.

Subd. 3. [BARGAINING AGREEMENT.] (a) The terms and conditions of employment of teachers assigned to the new joint vocational technical district from each member district will be temporarily governed by the contract executed by the exclusive bargaining representative and that particular member district until a successor contract is executed between the board of the joint vocational technical district and the new exclusive bargaining representative.

(b) The date of first employment in the new joint vocational technical district is the date on which services were first performed by the teacher in the member school district from which assigned. Accumulations of sick leave and accumulated years of service to determine eligibility for any severance pay or early retirement benefits must be credited to each employee, subject to any maximum accumulation limitations negotiated in the successor contract. The joint vocational technical board shall provide, to transferred teachers, open enrollment in all insurance plans with no limitation on preexisting conditions. The successor contract must contain a negotiated plan for the placement of teachers on unrequested leave of absence in the joint vocational technical district.

Subd. 4. [APPLICABLE LAW.] Except as provided in this section, section 125.12 applies to the employment of each teacher by the joint vocational technical district.

## Sec. 11. [136E.06] [NONLICENSED EMPLOYEES.]

Subdivision 1. [ASSIGNMENT.] When an independent school district becomes a member of the joint vocational technical district, each nonlicensed employee primarily employed in an AVTI who is transferred to the joint vocational technical district shall be assigned to and become an employee of the joint vocational technical district without further employment rights in the member district, other than, for two years from the date of assignment to the joint vocational technical district, the right to exercise, in the member district, job seniority promotion and job seniority layoff provisions of the contract in effect at the time of that employee's assignment to the joint vocational technical district. This reassignment of employment rights is not a leaving of employment for eligibility for payment under section 465.72 or under a policy or contract based on that section.

Subd. 2. [EXCLUSIVE REPRESENTATIVES.] After the commissioner assigns an identification number to the joint vocational technical district, any employee organization may petition the director of the bureau of mediation services for a certification election proceeding under chapter 179A. An organization certified as the exclusive representative for nonlicensed employees in a particular member district who are assigned to the joint vocational technical district upon its establishment shall continue as the exclusive representative for those particular employees for a period of 90 days from the date on which the joint vocational technical district is established. If a petition for representative for those particular nonlicensed employees shall continue as the exclusive representative until bureau of mediation services proceedings are concluded.

Subd. 3. [BARGAINING AGREEMENT.] (a) The terms and conditions of employment of nonlicensed employees assigned to the joint vocational technical district who were not governed by a collective bargaining agreement at the time of the assignment are governed by joint board policy. The terms and conditions of employment of nonlicensed employees assigned to the joint vocational technical district from each member district will be temporarily governed by contracts executed by an exclusive representative for a period of 90 days from the date of assignment. If a petition for representation of nonlicensed employees is filed with the bureau of mediation services within the 90 days, the contractual terms and conditions of employment for those particular nonlicensed employees who were governed by a preexisting contract will continue until bureau of mediation services proceedings are concluded and, if exclusive representatives have been elected, until successor contracts are executed between the board of the joint vocational technical district and the new exclusive representatives.

(b) The date of first employment in the joint vocational technical district is the date on which services were first performed by the employee in the member school district from which assigned. Any sick leave, vacation time, or severance pay benefits accumulated under policies of a member district or contracts between exclusive representatives and the boards of member districts continue to apply in the new joint vocational technical district to the employee assigned from those member districts, subject to any maximum accumulation limitations negotiated in a successor contract. Future leaves of absence, vacations, or other benefits to be accumulated in the new joint vocational technical district are governed by joint board policy or by contract between an exclusive representative of an appropriate unit of employees and the joint vocational technical board. The joint vocational technical board shall provide, to transferred nonlicensed employees, open enrollment in all insurance plans with no limitation on preexisting conditions.

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# Sec. 12. [136E.07] [TRANSFER OF PROPERTY.]

Subdivision 1. [TRANSFER OF TITLE.] When an independent school district becomes a member of the joint vocational technical school district, the member district shall transfer to the joint board title to the AVTI facility in that district and other appropriate equipment, personal property, and related records. The deed transferring the real property may specify that title to the property reverts to the granting school district if the property is no longer used for vocational or technical education purposes: All claims and contract obligations of the member district relating to the AVTI and adult and post-secondary vocational education programs, including claims for unemployment compensation, also transfer to the joint vocational technical district.

Subd. 2. [DEBT.] The bonded debt on all property transferred must be paid according to levies for that debt previously made under chapter 475. The obligation of the taxable property in the member district with reference to the payment of that bonded debt is not affected by the transfer.

Subd. 3. [TRANSFER OF FUNDS.] A member district shall transfer all fund balances, excluding the debt redemption fund, in all post-secondary and adult vocational funds to the joint vocational technical district.

Subd. 4. [TRANSFER NOT TO AFFECT LEGAL ACTION.] The transfer of property, title, and power to govern AVTIs and post-secondary and adult vocational programs does not affect a proceeding of an administrative, civil, or criminal nature pending at the time of the transfer, but the proceeding must be pursued in the name of the joint board. The joint board or its designee, upon application to the appropriate court or agency, shall be substituted as a party to the proceeding.

# Sec. 13. [136E.08] [TAX LEVIES.]

Subdivision 1. [STATE AUDITOR COSTS; JUDGMENTS; INSUR-ANCE.] The joint board may levy upon all taxable property in the joint vocational technical district an amount necessary to pay the joint vocational technical district's obligations for state auditor costs under section 6.62, to pay its obligations for judgments under section 127.05, and to pay its insurance premium costs under section 466.06.

Subd. 2. [AID ANTICIPATION CERTIFICATES.] The joint board may issue aid anticipation certificates of indebtedness under sections 124.71 to 124.76 and may pledge the full faith and credit of the joint vocational technical district to their payment under section 124.75.

## Sec. 14. [136E.09] [JOINDER.]

Upon approval by the majority vote of its board and the joint board, any other independent school district with an area vocational technical institute may enter into an agreement to become a participant in a joint vocational technical district. An election is not required on this issue. The agreement must be approved by resolution of the school board of the independent district and the joint board. The resolutions must be filed with the state director.

## Sec. 15, [136E.10] [PAYMENT OBLIGATION.]

Subdivision 1. [AGREEMENTS WITH STATE DIRECTOR.] The state director may enter into agreements with the joint vocational technical district

and its member school districts relating to costs of interim staffing and to payments of district service fees to member districts.

Subd. 2. [PAYMENT OF DEBT; TRANSFER; DEBT SERVICE AID.] (a) A member district that has debt outstanding upon an AVTI facility and property that is transferred to the joint vocational technical district shall escrow in its AVTI debt redemption fund the least of:

(1) a sufficient amount to defease the outstanding debt under the terms of the bond agreement;

(2) the minimum amount required by the bond agreement; or

(3) the remaining balance in the AVTI debt redemption fund.

(b) The member district shall transfer the amount to a separate account in its debt redemption fund for payment of the debt. Any remaining balance in the AVTI debt redemption fund may be used as provided in section 123.36, subdivision 13, clauses (2), (3), and (4).

(c) The state board of vocational technical education shall pay 100 percent of the remaining debt service on the AVTI facilities of all member districts that have transferred their AVTI facilities to the board of the joint vocational technical district. If the property reverts to ownership by the member district, the state portion of debt service aid must be paid according to section 136C.41, subdivision 1.

Subd. 4. [LEVY.] (a) A member district that has transferred an AVTI facility to the joint board may levy upon all taxable property in the member district, the following:

(1) in the first levy certified after the transfer, 75 percent of the amount of the district's most recent service fee allocation;

(2) in the second levy certified after the transfer, 50 percent of the amount of the district's service fee allocation under clause (1); and

(3) in the third levy certified after the transfer, 25 percent of the amount of the district's service fee allocation under clause (1).

(b) The proceeds of the levy may be placed in the general fund or any other fund of the district. Any unexpended portion of the proceeds so received must not be considered in the net unappropriated fund balance of the member district for the three fiscal years to which the levy is attributable.

Sec. 16. Minnesota Statutes 1984, section 275.125, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] Except as may otherwise be provided in this section, the words and phrases defined in sections  $\frac{124.01}{124.20}$ ,  $\frac{124.201}{124.202}$ ,  $\frac{124.202}{124.202}$ ,  $\frac{124.202}{1$ 

Sec. 17. Minnesota Statutes 1984, section 275.125, subdivision 14a, is amended to read:

Subd. 14a. [LEVY FOR LOCAL SHARE OF AVTI CONSTRUCTION.] (a) The definitions in section 136C.02 apply to this subdivision. (b) A district maintaining a post-secondary area vocational technical institute may levy for its local share of the cost of construction of facilities for the post-secondary area vocational-technical institute as provided in this subdivision.

(1) (c) The construction must be authorized by a specific legislative act pursuant to section 136C.07, subdivision 5, after January 1, 1980. The specific legislative act must require that  $\frac{85}{5}$  percent part of the cost of construction for post-secondary vocational purposes shall be financed by the state and that  $\frac{15}{5}$  percent part of the cost of construction for post-secondary vocational purposes shall be financed by the school district operating the post-secondary area vocational technical institute.

(2) (d) The district may levy an amount equal to the local share of the cost of construction for post-secondary vocational purposes, minus the amount of any unappropriated net balance in the district's post-secondary vocational technical building construction fund. A district may levy the total amount authorized by this subdivision in one year, or a proportionate amount of the total authorized amount each year for up to three successive years.

(3) (e) By the July 1 before a district certifies the first levy pursuant to this subdivision for the local share of any construction project, at least three weeks published notice of the proposed levy shall be given in the legal newspaper with the largest circulation in the district. The notice shall state the purpose of the proposed levy, the duration of the proposed levy and the amount of the proposed levy in dollars and mills. Upon petition within 20 days after the notice of the greater of (a) 50 voters, or (b) 15 percent of the number of voters who voted in the district at the most recent regular school board election, the board shall call a referendum on the proposed levy. The referendum shall be held on a date set by the school board, but no later than the August 20 before the levy is certified. The question on the ballot shall state the amount of the proposed levy in mills on the district's adjusted assessed valuation and in dollars in the first year of the proposed levy.

(4) (f) For the purposes of this subdivision, "construction" includes the acquisition and betterment of land, buildings and capital improvements for post-secondary area vocational technical institutes.

(5) (g) A district may not levy for the cost of a construction project pursuant to the this subdivision if it issues any bonds to finance any costs of the project.

Sec. 18. [EFFECTIVE DATE.]

This act is effective the day following its final enactment."

Amend the title as follows:

Page 1, line 7, delete ", prohibitions on bumping,"

Page 1, line 11, delete "intention of"

Page 1, line 14, delete "section" and insert "sections"

Page 1, line 15, after the semicolon, insert "136C.41, by adding a subdivision; 136C.44; and 275.125, subdivisions 1 and 14a;" and delete "in" and insert "as"

Page 1, line 17, delete "136D" and insert "136E"

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

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

S.F. No. 647: A bill for an act relating to education; Minnesota Education Computing Corporation; removing some limits on its powers; amending Minnesota Statutes 1984, sections 119.04, subdivision 2; and 119.05, subdivision 2.

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

Page 1, lines 21 to 23, reinstate the stricken language

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

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

S.F. No. 571: A bill for an act relating to environment; creating a hazardous substance injury compensation fund; establishing a board to administer compensation; limiting compensable losses; prescribing claims procedures; allowing partial subrogation rights; providing for partial recoupment of expenditures from hazardous waste generators; removing statutory provision for causation for personal injury; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 115B; repealing Minnesota Statutes 1984, section 115B.07.

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

Page 3, lines 8 and 9, delete "subject to the advice and consent of the senate"

Page 4, line 11, after "transmit" insert "by December 31 of each year"

Page 4, line 12, delete "a biennial" and insert "an annual"

Page 4, line 17, delete "and" and after "(c)" insert "all administrative costs associated with the business of the board; and (d)"

Page 4, line 27, after "grant" insert "reasonable partial"

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

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

S.F. No. 411: A bill for an act relating to governmental operations; prohibiting any governmental entity from engaging a lobbyist; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 10A.

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

Delete everything after the enacting clause and insert:

"Section 1. [10A.065] [HIRING OF LOBBYIST BY STATE GOV-ERNMENT PROHIBITED.]

The following governmental entities may not engage a lobbyist: state agencies; the metropolitan council established by section 473.123; and the metropolitan agencies defined in section 473.121, subdivisions 7, 12, 14a, 15, 21, and 32. A contract for lobbying is void if entered into by a lobbyist and any of the governmental entities named in this section. Any lobbyist who accepts payment for lobbying by any governmental entity named in this section shall return the payment to the entity and may in addition be liable for a civil penalty not to exceed \$1,000."

Amend the title as follows:

Page 1, lines 2 and 3, delete "any governmental entity" and insert "the state and metropolitan agencies"

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

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

S.F. No. 916: A bill for an act relating to human services; authorizing the commissioner to establish a state advisory planning council; requiring counties to contract with nonprofit organizations; changing set aside project amounts; amending Minnesota Statutes 1984, sections 245.70, subdivision 1; 245.71; 245.711, subdivision 2; and 245.713, subdivision 2.

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

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

S.F. No. 814: A bill for an act relating to education; establishing the state council on vocational technical education; proposing coding for new law in Minnesota Statutes, chapter 136C.

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

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

S.F. No. 994: A bill for an act relating to education; authorizing the transfer of certain state land unneeded for community college purposes to certain cities to be used for student housing; authorizing the sale of certain community college land in Worthington; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136.

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

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

Page 1, line 21, delete "; provided, that prior to" and insert a period

Page 1, delete lines 22 to 27

Page 2, line 1, delete "Subd. 2." and insert "Sec. 2."

Page 2, line 6, after the period, insert "This section applies only to the sale of parcels of land, under the control of the state board for community colleges, that are numbered 10 through 14 and 16 through 20 located between Betty Avenue and West Lake Avenue and to parcels that are 150 feet deep located west of Thompson Avenue."

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

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

S.F. No. 776: A bill for an act relating to health; requiring the commissioner of health to develop programs for the promotion of nonsmoking; providing for tax increase on cigarettes; prohibiting the free distribution of cigarettes; raising the cigarette tax; appropriating money; amending Minnesota Statutes 1984, sections 297.02, by adding a subdivision; 297.03, subdivisions 5 and 10; 297.13, subdivision 1; 297.22, subdivision 1; 297.32, subdivisions 1, 2, and by adding subdivisions; and 297.35, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 124, 144, and 145.

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

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

S.F. No. 302: A bill for an act relating to commerce; providing for deposits of public funds in thrift institutions; amending Minnesota Statutes 1984, section 118.005.

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

Page 1, line 15, delete "an institution organized" and insert "a credit union"

Page 1, line 16, delete "under chapter 52"

Page 1, line 21, delete "or other insurance provider or guarantee"

Page 1, line 22, delete "fund approved by the commissioner of commerce"

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

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

S.F. No. 229: A bill for an act relating to financial institutions; credit unions; specifying certain powers; amending Minnesota Statutes 1984, section 52.04, subdivision 1; repealing Minnesota Statutes 1984, section 52.04, subdivision 2.

# 30TH DAY]

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

Page 6, line 3, delete everything after "1757"

Page 6, delete line 4

Page 6, line 5, delete everything before the period and insert ", as amended through August 1, 1985. Before exercising each power, the board must submit a plan to the commissioner of commerce detailing implementation of the power to be used"

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

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

S.F. No. 137: A bill for an act relating to waters and watercraft safety; requiring liability insurance on licensed watercraft in the state; amending Minnesota Statutes 1984, section 361.03, by adding subdivisions.

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

Page 1, line 13, delete "contemplated"

Page 1, line 14, after "of" insert "liability of"

Page 1, delete line 15

Page 1, line 16, delete "in an accident, and subject to this limit," and delete "because of"

Page 1, line 16, after "\$50,000" insert "per occurrence"

Page 1, delete lines 17 to 19

Page 1, line 20, delete "others in an accident"

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

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

S.F. No. 1199: A bill for an act relating to agriculture; clarifying the meaning of lender in the Minnesota emergency farm operating loans act; amending Laws 1985, chapter 4, section 3, subdivision 8.

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

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

S.F. No. 945: A bill for an act relating to post-secondary education; authorizing the setting of salaries of chief executives; reenacting authority for the state university board to set salaries of executives other than the chancellor; amending Minnesota Statutes 1984, section 135A.07, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 136; repealing Minnesota Statutes 1984, section 135A.07, subdivision 2.

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

Page 1, line 14, strike "Nothwithstanding" and insert "Notwithstanding"

Page 1, line 17, strike "the higher education coordinating board,"

Page 1, line 19, strike ", executive"

Page 1, line 20, strike "director,"

Pages 1 and 2, delete section 2, and insert:

"Sec. 2. [135A.08] [CERTAIN EXECUTIVE SALARIES.]

Notwithstanding the provisions of chapter 43A, the state university board, 0226 community college board, and the state board of vocational technical education may establish a management compensation plan and establish executive salaries within the state university system and community college system and for employees of the state board of vocational technical education, respectively, except for the chancellor or the state director. The salaries shall be based on the level of responsibility and authority of various positions as well as appropriate market comparisons with similar positions in comparable public post-secondary institutions and agencies in the midwest."

Amend the title as follows:

Page 1, delete lines 2 to 5, and insert "relating to education; allowing all post-secondary boards and the higher education coordinating board to establish salaries for the chancellors, state director, and executive director; allowing exemption from chapter 43A for management compensation plans and other executive salaries,"

Page 1, line 8, delete "136" and insert "135A"

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

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred the following appointment as reported in the Journal for February 25, 1985:

# MINNESOTA POLLUTION CONTROL AGENCY Carol Lee Baudler

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

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

H.F. No. 538 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as

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follows:

# GENERAL ORDERSCONSENT CALENDARCALENDARH.F. No.S.F. No.H.F. No.S.F. No.538665

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 538 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 538 and insert the language after the enacting clause of S.F. No. 665, the first engrossment; further, delete the title of H.F. No. 538 and insert the title of S.F. No. 665, the first engrossment.

And when so amended H.F. No. 538 will be identical to S.F. No. 665, and further recommends that H.F. No. 538 be given its second reading and substituted for S.F. No. 665, 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. 157 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL	ORDERS	CONSENT (	CALENDAR	CALE	NDAR
H.F. No.	S.F. No.	H.F. No.	<b>S.F.</b> No. :	H.F. No.	S.F. No.
157	: 307				

and that the above 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. Report adopted.

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

H.F. No. 204 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR	CALENDAR		
H.F. No.	S.F. No.	H.F. No. S.F. No.	H.F. No.	S.F. No.	
	235	•			

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 204 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 204 and insert the language after the enacting clause of S.F. No. 235, the first engrossment; further, delete the title of H.F. No. 204 and insert the title of S.F. No. 235, the first engrossment.

And when so amended H.F. No. 204 will be identical to S.F. No. 235, and further recommends that H.F. No. 204 be given its second reading and substituted for S.F. No. 235, 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. 266 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

		CONSENT CALENDAR		CALENDAR	
	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
266	527				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 266 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 266 and insert the language after the enacting clause of S.F. No. 527, the first engrossment; further, delete the title of H.F. No. 266 and insert the title of S.F. No. 527, the first engrossment.

And when so amended H.F. No. 266 will be identical to S.F. No. 527, and further recommends that H.F. No. 266 be given its second reading and substituted for S.F. No. 527, 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. 320 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR CALENDAR H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 320 360

and that the above 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. Report adopted,

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

H.F. No. 183 for comparison with companion Senate File, reports the fol-

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lowing House File was found not identical with companion Senate File as follows:

GENERAL ORDERSCONSENT CALENDARCALENDARH.F. No.S.F. No.H.F. No.S.F. No.183131

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 183 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 183 and insert the language after the enacting clause of S.F. No. 131, the first engrossment; further, delete the title of H.F. No. 183 and insert the title of S.F. No. 131, the first engrossment.

And when so amended H.F. No. 183 will be identical to S.F. No. 131, and further recommends that H.F. No. 183 be given its second reading and substituted for S.F. No. 131, 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. 316 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL	ORDERS	CONSENT	CALENDAR	CALE	NDAR
			S.F. No.		
316	: 495		1 - A - A - A - A - A - A - A - A - A -		

and that the above 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. Report adopted.

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

H.F. No. 247 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL	ORDERS	CONSENT C	ALENDAR	- CALE	NDAR
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
247	505	· · ·	1. S.		

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 247 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 247 and insert the language after the enacting clause of S.F. No. 505, the first engrossment; further, delete the title of H.F. No. 247 and insert the title of S.F. No. 505,

the first engrossment.

And when so amended H.F. No. 247 will be identical to S.F. No. 505, and further recommends that H.F. No. 247 be given its second reading and substituted for S.F. No. 505, 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 under Rule 35, together with the committee report thereon,

S.F. No. 99: A bill for an act relating to Hennepin county; providing for the election of the park reserve district board; amending Laws 1979, chapter 288, section 2, subdivision 1; repealing Laws 1979, chapter 288, section 2, subdivisions 2, 3, and 4; and section 3.

Reports the same back with the recommendation that the report from the Committee on Local and Urban Government, shown in the Journal for March 21, 1985, be amended to read:

"the bill be amended and when so amended the bill do pass and be re-0066 referred to the Committee on Elections and Ethics". Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which were referred for proper reference under Rule 35:

S.F. Nos. 1137, 1150 and 1159 reports the same back with the recommendation that the bills be re-referred as follows:

S.F. No. 1137 to the Committee on Governmental Operations.

S.F. No. 1150 to the Committee on Health and Human Services.

S.F. No. 1159 to the Committee on Economic Development and Commerce.

Report adopted.

# SECOND READING OF SENATE BILLS

S.F. Nos. 364, 833, 635, 930, 243, 769, 761, 802, 569, 922, 682, 625, 778, 827, 650, 923, 557, 854, 1088, 282, 777, 441, 430, 384, 521, 1117, 186, 285, 518, 647, 411, 916, 814, 994, 302, 229, 137 and 1199 were read the second time.

# SECOND READING OF HOUSE BILLS

H.F. Nos. 1, 538, 157, 204, 266, 320, 183, 316 and 247 were read the second time.

# MOTIONS AND RESOLUTIONS

Mr. Dicklich moved that the name of Mr. Chmielewski be added as a

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co-author to S.F. No. 226. The motion prevailed:

Mr. Peterson, C.C. moved that the names of Messrs. Moe, R.D.; Stumpf and Anderson be added as co-authors to S.F. No. 627. The motion prevailed.

Mr. Dieterich moved that the name of Mr. Jude be added as a co-author to S.F. No. 888. The motion prevailed.

Mr. Wegscheid moved that the name of Mr. Merriam be added as a coauthor to S.F. No. 919. The motion prevailed.

Mr. Benson moved that his name be stricken as a co-author to S.F. No. 928. The motion prevailed.

Mr. Novak moved that the name of Mr. Sieloff be added as a co-author to S.F. No. 936. The motion prevailed.

Mr. Merriam moved that the name of Mr. Frank be added as a co-author to S.F. No. 1009. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 1012. The motion prevailed.

Mr. Stumpf moved that the name of Mr. Peterson, C.C. be added as a co-author to S.F. No. 1059. The motion prevailed.

Mr. Schmitz moved that the name of Mrs. Kronebusch be added as a co-author to S.F. No. 1061. The motion prevailed

Mr. Chmielewski moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 1080, The motion prevailed.

Mr. Wegscheid moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 1110. The motion prevailed.

Mr. Taylor moved that his name be stricken as a co-author to S.F. No. 1114. The motion prevailed.

Mr. DeCramer moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1118. The motion prevailed.

Mr. Merriam moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1162. The motion prevailed.

Mr. Spear moved that the name of Mr. Freeman be added as a co-author to S.F. No. 1196. The motion prevailed.

Mr. Willet moved that S.F. No. 1053 be withdrawn from the Committee on Local and Urban Government and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Laidig introduced—

Senate Resolution No. 52: A Senate resolution congratulating Forest Lake High School on the victory of its team in the State High School Science Olympiad.

Referred to the Committee on Rules and Administration.

Mr. Wegscheid introduced—

Senate Resolution No. 53: A Senate resolution congratulating Apple Val-

ley High School on the second place finish of its team in the State High School Science Olympiad.

Referred to the Committee on Rules and Administration.

## Mr. Pehler introduced—

Senate Resolution No. 54: A Senate resolution congratulating the Huskies women's basketball team from St. Cloud State University for its winning season and participation in the 1985 NCAA Division II National Champion-ship Tournament.

Referred to the Committee on Rules and Administration.

Mr. Laidig introduced—

Senate Resolution No. 55: A Senate resolution congratulating the Mahtomedi High School Zephyrs for winning first place in the Class A Minnesota State Gymnastics Championship.

Referred to the Committee on Rules and Administration.

Mr. Laidig introduced-

Senate Resolution No. 56: A Senate resolution congratulating the Ponies girls slalom ski team from Stillwater High School for winning the 1985 State High School Slalom Skiing Championship.

Referred to the Committee on Rules and Administration.

Mr. Laidig introduced—

Senate Resolution No. 57: A Senate resolution congratulating the Ponies boys cross-country ski team from Stillwater High School for finishing State runner-up in the 1985 State High School Cross-country Skiing Championship.

Referred to the Committee on Rules and Administration.

Mr. Laidig introduced-----

Senate Resolution No. 58: A Senate resolution congratulating the girls cross-country ski team from Stillwater High School for winning the 1985 State High School Cross-Country Skiing Championship.

Referred to the Committee on Rules and Administration.

## CONFIRMATION

Mr. Spear moved that the appointments of notaries public received February 28, 1985, be taken from the table. The motion prevailed.

Mr. Spear moved that the Senate do now consent to and confirm the appointments of the notaries public.

The question was taken on the adoption of the motion.

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

Those who voted in the affirmative were:

Adkins	Diessner	Knaak	Novak	Samuelson	
Anderson	Dieterich	Knutson	Olson	Schmitz	
Belanger	Frank	Kronebusch .	Pehler	Sieloff	
Benson	Frederick	: Laidig	Peterson, C.C.	Spear	
Berg	Frederickson	Langseth	Peterson, D.C.	Storm	,
Berglin	Freeman	Lantry	Peterson, D.L.	Stumpf	
Bernhagen	Gustafson	Luther	Peterson, R.W.	Taylor	
Bertram	Hughes	McQuaid	Petty	Vega	
Brataas	Isackson	Mehrkens	Pogemiller	Waldorf	
Chmielewski	Johnson, D.E.	Merriam	Purfeerst	Wegscheid	
Dahl	Johnson, D.J.	Moe, D.M.	Ramstad	Willet	
Davis	Jude .	Moe, R.D.	Reichgott	1. A.	
Dicklich	Kamrath	Nelson	Renneke		

The motion prevailed. So the appointments were confirmed.

## **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Willet moved that S.F. No. 430, on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

Mr. Moe, R.D. moved that Senate Concurrent Resolution No. 9, pertaining to the Joint Rules of the Senate and House of Representatives, shown in the Journal of February 28, 1985, be taken from the table. The motion prevailed.

Mr. Moe, R.D. moved the adoption of the resolution.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

The motion prevailed. So the resolution was adopted.

Mr. Moe, R.D. moved that the proposed Permanent Rules of the Senate contained in the report of the Committee on Rules and Administration, adopted February 28, 1985 be taken from the table. The motion prevailed.

Mr. Luther moved to amend the Permanent Rules of the Senate as follows:

Page 23, line 16, after "Press" strike ", St. Paul" and insert "and"

The motion prevailed. So the amendment was adopted.

Mr. Luther moved the adoption of the Permanent Rules of the Senate, as amended.

The question was taken on the adoption of the motion.

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The roll was called, and there were yeas 60 and nays 2, as follows: Those who voted in the affirmative were:

A	
Adkins	
Anderson	
Belanger	
Benson	
Berg	
Berglin	
Bernhagen	
Bertram	
Brataas	
Chmielewski	
Dahl	
Davis	

Inde Kamrath Dieterich Knaak Knutson Frederick Frederickson Laidig Freeman Lantry Gustafson Lessard Luther McQuaid Johnson, D.E. Johnson, D.J. Merriam

Dicklich

Diessner

Frank

Hughes

Isackson

Moe, D.M. Moe, R.D. Nelson Novak Kronebusch Olson Pehler Peterson, C.C. Peterson, D.C. Peterson, D.L. Mehrkens Petty Pogemiller

Purfeerst Ramstad Reichgott Renneke Schmitz Sieloff Spear Stumpf Taylor Peterson, R.W. Vega Wegscheid Willet

Willet

Messrs. Storm and Waldorf voted in the negative:

The motion prevailed. So the Permanent Rules of the Senate, as amended were adopted.

# CALENDAR

S.F. No. 342: A bill for an act relating to occupations and professions; requiring that plumbing inspectors hold a license as master or journeyman plumbers or be a state certified plumbing inspector; establishing a certification procedure; amending Minnesota Statutes 1984, section 326.37.

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 40 and nays 21, as follows:

Those who voted in the affirmative were:

Belanger	Dieterich	Knutson	Nelson	Purfeerst
Berglin	Frank	Lantry	Novak	Samuelson
Brataas	Frederick	Lessard	Pehler	Sieloff
Chmielewski	Freeman	Luther	Peterson, C.C.	Spear
Dahl	Gustafson	McQuaid	Peterson, D.C.	Storm
Davis	Hughes	Merriam	Peterson, R.W.	Taylor
Dicklich	Johnson, D.E.	Moe, D.M.	Petty	Vega
Diessner	Johnson, D.J.	Moe, R.D.	Pogemiller	Waldorf
			. –	

Those who voted in the negative were:

Adkins	Frederickson	Kronebusch	Ramstad
Anderson	Isackson	Laidig	Renneke
Benson	Jude	Mehrkens	Schmitz
Bernhagen	Kamrath	Olson	Stumpf
Bertram	Knaak	Peterson, D.L.	Wegscheid

So the bill passed and its title was agreed to.

S.F. No. 472: A bill for an act relating to taxation; discontinuing enforcement of the unfair cigarette sales act; modifying certain procedures relating to taxpayer appeals; requiring apportionment of levies in specific situations; clarifying the calculation of property tax credits; clarifying the tax treatment of certain pipelines; modifying provisions relating to the payment of property taxes; allowing for sales of sample packs of cigarettes containing 25 cigarettes; altering the eligibility for confessions of judgment; providing for the recording of state deeds; modifying the deed stamp tax procedure; clarifying the computation of gross earnings tax for taconite railroads; clarifying labor credit provisions; modifying the taconite production tax distribution; reducing occupation and royalty tax rates for certain ore; clarifying process of taconite aid guarantee phase out; requiring payment of current taxes before conveyance of registered land; allowing for memorializing of state deeds on certificates of title; amending Minnesota Statutes 1984, sections 270.06; 270.076, subdivision 2; 270.11, subdivision 7: 270.12, subdivision 3; 272.02, subdivision 1; 273.123, subdivision 5: 273.13, subdivision 4; 273.138, subdivision 5; 273.33, subdivisions 1 and 2; 279.01, subdivision 1; 279.37, subdivision 1; 282.01, subdivision 6; 282.014; 282.301; 282.33, subdivision 1; 282.36; 287.25: 294.22: 297.03. subdivision 10; 298.01, sub-division 1; 298.02, subdivision 1: 298.225: 298.28. subdivision 1; 299.01, subdivision 1; 299.012, subdivision 1: 473H.10, subdivision 3; 508.47, subdivision 4; 508.71, subdivision 4: proposing coding for new law in Minnesota Statutes, chapter 273; repealing Minnesota Statutes 1984, sections 298.01, subdivision 2; 299.01, subdivision 2; 325D.41; and 477A.04.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	· · · ·	11 A.		
Adkins	Diessner	Knaak	Novak	Samuelso
Anderson	Dieterich	Knutson	Olson	Schmitz
Belanger	Frank	Kronebusch	Pehler	Sieloff
Benson	Frederick	Laidig	Peterson, C.C.	Spear
Berg	Frederickson	Lantry ,	Peterson, D.C.	Storm
Berglin	Freeman	Lessard	Peterson, D.L.	Stumpf
Bernhagen	Gustafson	Luther	Peterson, R.W.	Taylor
Bertram	Hughes	McQuaid	Petty	Vega
Brataas	Isackson	Mehrkens	Pogemiller	Waldorf
Chmielewski	Johnson, D.E.	Merriam	Purfeerst	Wegsche
Dahl	Johnson, D.J.	Moe, D.M.	Ramstad	Willet
Davis	Jude	Moe, R.D.	Reichgott	
Dicklich	Kamrath	Nelson	Renneke	

So the bill passed and its title was agreed to...

H.F. No. 329: A bill for an act relating to peace officers; requiring a person seeking appointment as a part-time peace officer to provide the board of peace officer standards and training with proof that he or she has complied with appointment requirements; amending Minnesota Statutes 1984, section 626.8463.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

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

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Vegscheid Villet

Those who voted in the affirmative were:

Diessner	Knaak	Novak	Samuelson
Dieterich	Knutson	Olson .	Schmitz
Frank	Kronebusch	Pehler	Sieloff
Frederick	Laidig	Peterson, C.C.	Spear
Frederickson	Lantry	Peterson, D.C.	Storm
Freeman	Lessard		Stumpf
Gustafson	Luther .		Taylor
Hughes	McQuaid	Petty	Vega
Isackson	Mehrkens	Pogemiller	Waldorf
Johnson, D.E.	Merriam		Wegscheid
Johnson, D.J.	Moe, D.M.	Ramstad	Willet
Jude	Moe, R.D.		
Kamrath	Nelson	Renneke	
	Dieterich Frank Frederick Frederickson Freeman Gustafson Hughes Isackson Johnson, D.E. Johnson, D.J. Jude	DieterichKnutsonFrankKronebuschFrederickLaidigFredericksonLantryFreemanLessardGustafsonLutherHughesMcQuaidIsacksonMehrkensJohnson, D.E.MerriamJohnson, D.J.Moe, D.M.JudeMoe, R.D.	DieterichKnutsonOlsonFrankKronebuschPehlerFrederickLaidigPeterson, C.C.FredericksonLantryPeterson, D.C.FreemanLessardPeterson, D.L.GustafsonLutherPeterson, R.W.HughesMcQuaidPettyIsacksonMehrkensPogemillerJohnson, D.E.MerriamPurfeerstJohnson, D.J.Moe, D.M.RamstadJudeMoe, R.D.Reichgott

So the bill passed and its title was agreed to.

S.F. No. 63: A bill for an act relating to the city of Fergus Falls located in Otter Tail county and the city of Detroit Lakes located in Becker county; granting the cities the powers of a port authority; authorizing the port authority to exercise the powers of a municipal housing and redevelopment authority; permitting the cities to choose the name of the port authority; requiring local approval.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 10, as follows:

Those who voted in the affirmative were:

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Those who voted in the negative were:

Benson	Dieterich	Knaak	Merriam	Storm
Berg .	Johnson, D.E.	Knutson	Peterson, R.W.	Waldorf

So the bill passed and its title was agreed to.

H.F. No. 509: A bill for an act relating to statutes; providing free distribution of Minnesota Statutes to library of largest municipality of each county; amending Minnesota Statutes 1984, section 3C.12, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Chmielewski	Dieterich Frank Frederick Frederickson Freeman Gustafson Hughes Isackson Johnson, D.E.	Lantry Lessard Luther McQuaid Mehrkens Merriam	Novak Olson Pehier Peterson, C.C. Peterson, D.C. Peterson, D.L. Peterson, R.W. Petty Pogemiller Purfeerst Ramstad	Samuelson Schmitz Sieloff Spear Storm Stumpf Taylor Vega Waldorf Wegscheid Willet
	Johnson, D.E. Johnson, D.J. Jude Kamrath	Merriam Moe, D.M. Moe, R.D. Nelson		

So the bill passed and its title was agreed to.

# **GENERAL ORDERS**

The Senate resolved itself into a Committee of the Whole, with Mr. Hughes in the chair.

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

S.F. No. 77, which the committee recommends to pass, after the following motions.

Mr. Taylor moved to amend S.F. No. 77 as follows:

Page 1, line 27, reinstate the stricken "TEMPORARY"

Page 2, line 16, reinstate the stricken "TEMPORARY"

Page 3, lines 18, 20, 21, 22, and 23, delete the new language

Page 3, delete lines 28 to 36

Page 6, delete section 10 and insert:

"Sec. 10. Laws 1983, chapter 215, section 16, as amended by Laws 1984, chapter 474, section 7, is amended to read:

Sec. 16. [REPEALER.]

Sections 1 to 15 are repealed effective July 1, <del>1985</del> 1987, but any postponement or other relief ordered by a court continues to be valid for the period ordered by the court."

Amend the title as follows:

Page 1, line 5, delete everything after "terminations"

Page 1, line 6, delete "cases"

Page 1, line 10, delete "repealing" and insert "and"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 22 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson Belanger Benson Bernhagen Bretass	Dieterich Frederick Frederickson Gustafson Isackson	Johnson, D.E. Kamrath Knaak Kronebusch Laidig	McQuaid Mehrkens Olson Petty Ramstad	Renneke Taylor
Brataas	Isackson	Laidig	Ramstad	

Those who voted in the negative were:

Adkins	Frank	Luther	Peterson, D.C.	Spear
Berg	Freeman	Merriam	Peterson, R.W.	Storm
Berglin	Hughes	Moe, D.M.	Pogemiller	Stumpf
Bertram	Johnson, D.J.	Moe, R.D.	Reichgott	Waldorf
Chmielewski	Jude	Novak	Samuelson	Willet
Davis	Lantry	Pehler	Schmitz	
Dicklich	Lessard	Peterson, C.C.	Sieloff	

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

Mr. Berg moved to amend S.F. No. 77 as follows:

# . Page 6, after line 10, insert:

"Sec. 10. [CITATION.]

Sections 10 to 14 may be cited as the "emergency agricultural relief act of 1985."

## Sec. 11. [LEGISLATIVE FINDINGS.]

The legislature finds that conditions have deteriorated and thousands of farmers will have their land foreclosed and offered at forced sales in the spring of 1985, causing agricultural land prices to fall drastically. The foreclosures and low land prices are causing and will cause extreme stress on rural financial institutions and all rural businesses, particularly those related to agricultural production, and financial panic conditions in areas that affect over one-third of the population of the state.

The legislature finds that agricultural land prices have decreased by over 30 percent in the last five years and that this fact alone would cause grave circumstances in the rural agricultural lending and borrowing community. In addition, real interest rates have increased, crop and livestock prices are not greater than the cost of production, and net farm income is essentially nonexistent. All of these factors and the federal agricultural financial policy have caused a situation beyond the control of Minnesota farmers and lenders resulting in repossession and forced sales of farm equipment and personal property, farm foreclosures and foreclosure sales, and deficiencies from low prices accepted at the sales, that if continued, will cause irreparable harm to the state, its farmers, its lenders, and the social fabric and existence of rural communities.

The legislature finds that the foreclosure process has been disrupted, that the pain and suffering in the rural areas has caused people to take their own lives, and that this act is necessary for the people of this state and their governments to develop relief and an orderly process out of the rural economic depression.

The legislature finds that foreclosure by advertisement will not provide a fair foreclosure process as contemplated by law unless the court authorizes the procedure and provisions for the postponement of advertised sales under Minnesota Statutes, section 580.07, and prior law have been in existence for over 80 years.

The legislature finds and declares existing relief is inadequate and that these conditions have resulted in a state of public economic emergency of a nature that justifies and validates court supervision of the foreclosure process, additional measures for the extension of time before foreclosure and

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foreclosure sales may be made, and for other relief.

# Sec. 12. [APPLICATION.]

Subdivision 1. [DATE OF APPLICATION.] Sections 1 to 5 apply to the mortgages and security interests in this section that exist before February 1, 1985.

Subd. 2. [MORTGAGES HELD BY UNITED STATES.] Sections 1 to 5 apply to mortgages of agricultural production real estate held by the United States or by any agency, department, bureau, or instrumentality of the United States, as security or pledge of the mortgagor, its successors, or assigns.

Subd. 3. [MORTGAGES HELD AS SECURITY FOR PUBLIC DEBT.] Sections 1 to 5 apply to mortgages of agricultural production real estate held as security or pledge to secure payment of a public debt or to secure payment of the deposit of public funds.

Subd. 4. [MORTGAGES HELD BY LENDERS.] Sections 1 to 5 apply to all other mortgages of agricultural production real estate that are held by lenders that are in the business of lending money.

Subd. 5. [SECURITY INTERESTS IN AGRICULTURAL PERSONAL PROPERTY.] Sections 1 to 5 apply to all security interests in agricultural crops and livestock, and all personal property used for agricultural production that are held by lenders in the business of lending money.

Sec. 13. [MORATORIUM AND PROHIBITION OF DEFICIENCY JUDGMENTS.]

Subdivision 1. [MORATORIUM.] (a) Mortgages may not be foreclosed, or property sold by forced sale after foreclosure, for one year after sections 1 to 5 become effective, except by court order under section 5.

(b) Agricultural production crops and livestock, and all personal property used for agricultural production may not be repossessed, or security interests in the personal property foreclosed, for one year after sections 1 to 5 become effective unless the debtor agrees in writing, or by court order under section 5.

Subd. 2. [DEFICIENCY JUDGMENTS.] An action for a deficiency judgment related to a sale of real or personal agricultural property may not be started, continued, or executed for one year after sections 1 to 5 become effective.

Subd. 3 [PREVAILS OVER CONFLICTS.] Sections 1 to 5 prevail over Minnesota Statutes, chapter 583 and other laws that conflict with sections 1 to 5.

# Sec. 14. [APPLICATION TO DISTRICT COURT FOR RELIEF.]

Subdivision 1. [PETITION.] A party to a mortgage or security interest may petition for relief to the district court of the county where the foreclosure proceedings are pending, or the district court of the mortgagor's or debtor's residence. The party petitioning the court must serve a summons and verified petition on parties to the mortgage or security interest and show why the repossession, foreclosure, or sale should be made.

Subd. 2. [RELIEF ALLOWED.] The court may order the repossession,

foreclosure, or sale to proceed under applicable law and conditions provided by the court if the parties to the mortgage or security interest have had adequate legal representation and:

(1) the parties to the security interest or mortgage agree;

(2) the mortgagor of the mortgaged real estate or the debtor of secured personal property does not have any equity in the property; or

(3) after considering all equitable arguments the court finds that there is no basis for the sale not to be held.

Subd. 3. [POSTPONEMENT OF FORECLOSURE SALE AND RE-DEMPTION PERIOD.] If the court orders the foreclosure and sale to proceed, the court may postpone the date of foreclosure sale and the corresponding redemption period up to one year if it finds the following:

(1) that the mortgagor or debtor is unable under all reasonable circumstances to make his payments; and

(2) that there is a reasonable prospect that postponement will enable the mortgagor or debtor to recover and continue farming into the foreseeable future.

Subd. 4. [REDUCTION OF REDEMPTION PERIOD.] The court may order the redemption period under Minnesota Statutes, section 580.23, to be reduced to compensate for the period of time that the sale was delayed, but the redemption period must not be less than 30 days. If the foreclosure sale is not delayed, the redemption period is as provided in Minnesota Statutes, section 580.23.

Subd. 5. [COMPROMISES.] If the parties to a security interest or mortgage agree in writing to a compromise settlement, a composition of the indebtedness, or both, the court has jurisdiction and may, by its order, confirm and approve the settlement, composition, or both.

Subd. 6. [COURT MAY REVISE AND ALTER TERMS.] A party to a mortgage or a security interest may apply to the court before the expiration of the period before the sale and present evidence that the terms set or approved by the court are not just and reasonable because circumstances have changed. The court may revise and alter the terms.

Subd. 7. [HEARING.] The hearing on the petition must be held within 30 days after the filing of the petition. The resulting order must be made and filed within five days after the hearing. An appeal may be made as in other civil actions."

Page 6, after line 13, insert:

"Sections 10 to 14 are repealed one year after they become effective, but any postponement or other relief ordered by a court continues to be valid for the period ordered by the court."

Page 6, line 15, delete "10" and insert "9 and 15" and after the period, insert "Sections 10 to 14 are effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after the semicolon, insert "declaring a public economic emergency to exist; prohibiting mortgage foreclosure and foreclosure sales for one year; prohibiting repossession, foreclosure, and foreclosure sales of agricultural personal property for one year; providing for an application to the court to allow repossession, foreclosure, and foreclosure sale; prohibiting actions for deficiency judgments; providing for the parties to compromise; and repealing the act after one year;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 29, as follows:

Those who voted in the affirmative were:

Benson	Frank	Moe, D.M.	Peterson, D.L.	Schmitz
Berg	Freeman	Moe, R.D.	Pogemiller	Spear
Berglin	Johnson, D.J.	Novak	Purfeerst	Storm
Davis	Lessard	Pehler	Reichgott	Stumpf
Dicklich	Luther	Peterson, C.C.	Renneke	Vega
Diessner	Merriam	Peterson, D.C.	Samuelson	Willet

Those who voted in the negative were:

Adkins Anderson Belanger Bernhagen Bertram Brataas	Chmielewski Dieterich Frederick Frederickson Gustafson Isackson	Johnson, D.E. Jude Kamrath Knaak Kronebusch Laidig	Langseth Lantry McQuaid Mehrkens Olson Peterson, R.W.	Petty Ramstac Sieloff Taylor Waldorf
Brataas	Isackson		Peterson, K.w.	

The motion prevailed. So the amendment was adopted.

On motion of Mr. Moe, R.D., the report of the Committee of the Whole, as kept by the Secretary, was adopted.

# INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Dahl, Merriam, Novak, Frank and Wegscheid introduced-

S.F. No. 1202: A bill for an act relating to environment; requiring the commissioner of health to monitor the quality of water in private water wells in the metropolitan area; amending Minnesota Statutes 1984, section 473.845, subdivision 2.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Spear; Moe, D.M.; Vega; Mrs. Lantry and Mr. Laidig introduced—

S.F. No. 1203: A bill for an act relating to state departments and agencies; requiring agencies to provide services and materials in languages other than English; proposing coding for new law as Minnesota Statutes, chapter 15B.

Referred to the Committee on Governmental Operations.

Mr. Stumpf introduced—

S.F. No. 1204: A bill for an act relating to motor vehicles; establishing

special license plates for personal vehicles of members of the reserves of the United States armed forces in Minnesota; amending Minnesota Statutes 1984, section 168.12, by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Stumpf introduced----

S.F. No. 1205: A bill for an act relating to natural resources; allowing compensation for damage of crops by elk; amending Minnesota Statutes 1984, section 3.737.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Knaak introduced-

S.F. No. 1206: A bill for an act relating to local government; permitting land transfers between Ramsey county and the town of White Bear.

Referred to the Committee on Local and Urban Government.

Messrs. Bernhagen and Johnson, D.E. introduced—

S.F. No. 1207: A bill for an act relating to drainage; clarifying the meaning of "repair" of drainage systems; amending Minnesota Statutes 1984, section 106.471, subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Renneke introduced-

S.F. No. 1208: A bill for an act relating to the city of Gaylord; authorizing the issuance of general obligation bonds to finance the acquisition and betterment of municipal buildings.

Referred to the Committee on Local and Urban Government.

Messrs. Mehrkens, Davis, Renneke, Kamrath and Taylor introduced—

S.F. No. 1209: A bill for an act relating to education; excluding assets from parental contributions for some state scholarship and grant applicants; requiring a study; requiring notification of financial aid changes; appropriating money.

Referred to the Committee on Education.

Messrs. Mehrkens, Davis, Schmitz, Renneke and Johnson, D.E. introduced—

S.F. No. 1210: A bill for an act relating to corrections; appropriating money for the community corrections act.

Referred to the Committee on Health and Human Services.

Mr. Frank introduced---

S.F. No. 1211: A bill for an act relating to utilities; prescribing fees and

assessments relating to certificate of need process; exempting small telephone companies and public utilities from certain assessments by the public utilities commission and department of public service; amending Minnesota Statutes 1984, sections 216B.62, subdivisions 2, 3, 6, and by adding a subdivision; 237.295, subdivision 2; repealing Minnesota Statutes 1984, section 216B.243, subdivision 6.

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

Mr. Vega introduced—

S.F. No. 1212: A bill for an act relating to energy, prohibiting public utilities from recovering revenues lost under large volume natural gas contracts from certain ratepayers; amending Minnesota Statutes 1984, section 216B.16, by adding a subdivision.

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

Mr. Samuelson introduced-

S.F. No. 1213: A bill for an act relating to education; appropriating money for a grant to the Mid State Educational Cooperative.

Referred to the Committee on Education

Mr. Pehler introduced—

S.F. No. 1214: A bill for an act relating to negligence; clarifying immunity from liability for volunteer firefighters who render assistance at scenes of emergency; amending Minnesota Statutes 1984, section 604.05, subdivision 2.

Referred to the Committee on Judiciary.

Mr. Isackson introduced—

S.F. No. 1215: A bill for an act relating to local government; permitting insurance and indemnification of certain municipal electric power personnel; correcting a statutory cross reference; amending Minnesota Statutes 1984, section 453.55, subdivision 11.

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

Ms. Reichgott and Mr. Luther introduced-

S.F. No. 1216: A bill for an act relating to human services; establishing requirements for notices to municipalities concerning the establishment of programs for disabled and dependent persons; amending Minnesota Statutes 1984, section 245.821, subdivision 1.

Referred to the Committee on Health and Human Services.

Mr. Chmielewski introduced-

S.F. No. 1217: A bill for an act relating to education; permitting indepen-

dent school district No. 566, Askov, to make certain fund transfers.

Referred to the Committee on Education.

Mr. Pehler and Mrs. Brataas introduced—

S.F. No. 1218: A bill for an act relating to labor; providing for fair labor standard practice; providing penalties; amending Minnesota Statutes 1984, sections 177.23, subdivisions 4 and 7; 177.24, subdivisions 3, 4, and 5; 177.27; 177.28, subdivision 4; 177.32, subdivision 1; 181.79, subdivision 1; 181A.04, subdivision 3; and 181A.12, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 181.

Referred to the Committee on Employment.

Mr. Stumpf introduced-

S.F. No. 1219: A bill for an act relating to natural resources; making groundwater protection a watershed district purpose; establishing a procedure for increasing the number of watershed district managers; defining certain proceedings as contested cases; providing a procedure for noncontroversial proceedings; allowing demands for contested case hearings in certain proceedings; amending Minnesota Statutes 1984, sections 112.36, subdivision 2; 112.37, subdivision 1a; and 112.401; proposing coding for new law in Minnesota Statutes, chapter 112; repealing Minnesota Statutes 1984, section 112.37, subdivision 6.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Anderson introduced----

S.F. No. 1220: A bill for an act relating to the city of Wadena; permitting the establishment of a port authority.

Referred to the Committee on Local and Urban Government.

Ms. Peterson, D.C. and Mr. Kroening introduced-

S.F. No. 1221: A bill for an act relating to Hennepin county; providing for the operation of the Hennepin county park reserve district; regulating its tax levies; amending Laws 1967, chapter 721, section 2, as amended.

Referred to the Committee on Local and Urban Government.

Messrs. Benson and Chmielewski introduced-

S.F. No. 1222: A bill for an act appropriating funds for the Chatfield Brass Band Music Lending Library.

Referred to the Committee on Finance.

Mrs. Kronebusch, Messrs. Peterson, R.W. and Diessner introduced-

S.F. No. 1223: A bill for an act relating to probate; allowing a minor to be a donor for purposes of the Uniform Anatomical Gift Act; amending Minnesota Statutes 1984, sections 525.922, subdivision 1; and 525.924, by adding

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a subdivision.

Referred to the Committee on Judiciary.

Mrs. Kronebusch and Mr. Benson introduced-

S.F. No. 1224: A bill for an act relating to elections; clarifying the provision of time off to vote; amending Minnesota Statutes 1984, section 204C.04.

Referred to the Committee on Elections and Ethics.

Messrs. Davis, Merriam, Schmitz and Laidig introduced-

S.F. No. 1225: A bill for an act relating to agriculture; regulating organic foods; proposing coding for new law in Minnesota Statutes, chapter 31.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Peterson, D.C. introduced-

S.F. No. 1226: A bill for an act relating to education; requiring school boards to grant contracts to licensed personnel who are employed by the board for a position requiring licensure and who are in the teacher bargaining unit; provides for providing negotiated contractual rights and continuing contract status; amending Minnesota Statutes 1984, section 123.35, by adding a subdivision.

Referred to the Committee on Education.

Mr. Stumpf introduced-

S.F. No. 1227: A bill for an act relating to taxation; property; providing for 3b classification in certain cases; amending Minnesota Statutes 1984, section 273.13, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Freeman, Anderson, Ms. Peterson, D.C.; Messrs. Samuelson and Solon introduced—

S.F. No. 1228: A bill for an act relating to gifts to minors; permitting securities to be registered in the name of a broker or financial institution; amending Minnesota Statutes 1984, sections 527.02, subdivision 1; and 527.04, subdivision 7.

Referred to the Committee on Economic Development and Commerce.

Messrs. Renneke and Schmitz introduced-

S.F. No. 1229: A bill for an act relating to environment; providing for regulation of hazardous waste storage facilities; prohibiting the acquisition of certain lands by eminent domain; authorizing the metropolitan council to abrogate the development moratorium on sites and buffer areas for waste facilities; amending Minnesota Statutes 1984, sections 115A.03, subdivision 1; 115A.06, subdivisions 4 and 5a; 115A.075; 115A.08, subdivisions 4, 5,

5b, and 6; 115A.11, subdivisions 1a, 1b, and 3; 115A.12, subdivision 1; 115A.158, subdivision 1; 115A.159; 115A.162; 115A.17; 115A.18; 115A.19; 115A.20; 115A.201; 115A.21, subdivisions 1 and 2; 115A.22, subdivisions 1 and 5; 115A.24, subdivisions 1, 3, and 4; 115A.241; 115A.26; 115A.27, subdivision 2; 115A.28, subdivision 1; 115A.291; 115A.301, subdivisions 1, 2, 3, 5, and 7; 115A.36; 473.516, subdivision 1; 473.153, subdivision 3; 473.806, subdivision 1; 473.811, subdivisions 1 and 5b; proposing coding for new law in Minnesota Statutes, chapter 115A; repealing Minnesota Statutes 1984, section 473.833, subdivision 5.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Stumpf; Taylor; Moe, R.D. and Hughes introduced—

S.F. No. 1230: A bill for an act relating to education; authorizing forgiveness of certain portions of student loans for teachers of secondary mathematics and science in certain rural school districts; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136A.

Referred to the Committee on Education.

Messrs. Willet, Merriam, Davis and Novak introduced-

S.F. No. 1231: A resolution memorializing the President and Congress of the United States to take immediate steps to reduce acid deposition.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Willet, Stumpf, Lessard, Laidig and Berg introduced-

S.F. No. 1232: A bill for an act relating to natural resources; permitting three-wheel off-road vehicles to use state snowmobile trails and the back slope and bottom of highway ditches; amending Minnesota Statutes 1984, sections 84.928; and 85.015, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 85.

Referred to the Committee on Agriculture and Natural Resources.

Mrs. Adkins, Messrs. Solon, Lessard and Bernhagen introduced-

S.F. No. 1233: A bill for an act relating to state government; concerning the state procurement of goods and services from small businesses; removing geographical distribution requirements and preference program limitations; amending Minnesota Statutes 1984, section 16B.19, subdivision 5; 16B.21, subdivision 1; and 16B.22.

Referred to the Committee on Governmental Operations.

Mr. Waldorf, Mrs. Lantry and Mr. Moe, D.M. introduced-

S.F. No. 1234: A bill for an act relating to the city of Saint Paul; permitting the city to issue temporary on-sale wine licenses to nonprofit charitable, religious, or veterans organizations.

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

Messrs, Isackson, Benson, Bernhagen, Chmielewski and Johnson, D.E. introduced-

S.F. No. 1235: A bill for an act relating to taxation; property; increasing state school agricultural credits; amending Minnesota Statutes 1984, section 124.2137, subdivision 1.

Referred to the Committee on Education.

Messrs. DeCramer, Schmitz, Mrs. Kronebusch, Mr. Mehrkens and Mrs. Adkins introduced-

S.F. No. 1236: A bill for an act relating to the state transportation system; authorizing the issuance and sale of state transportation bonds; authorizing the expenditure of the proceeds for bridge and related purposes; appropriating money; amending Laws 1979, chapter 280, sections 1 and 2, as amended.

Referred to the Committee on Transportation.

Messrs. Kamrath and Frank introduced-

S.F. No. 1237: A bill for an act relating to local government; providing for exceptions to contracting conflict of interest rules for local officials; amending Minnesota Statutes 1984, section 471.88, subdivisions 5 and 8.

Referred to the Committee on Local and Urban Government.

Messrs. Storm, Gustafson and Novak introduced-

S.F. No. 1238: A bill for an act relating to intoxicating liquor; authorizing the issuance of temporary on-sale intoxicating liquor licenses; amending Minnesota Statutes 1984, section 340.11, by adding a subdivision.

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

Mr. Bertram introduced-

S.F. No. 1239: A bill for an act relating to health; allowing a county health officer to transport tuberculosis suspects; amending Minnesota Statutes 1984, section 144.422, subdivisions 2 and 6.

Referred to the Committee on Health and Human Services.

Messrs. Novak; Frederick; Peterson, C.C.; Frank and Chmielewski introduced-

S.F. No. 1240: A bill for an act relating to taxation; sales and use; exempting certain outstate mailings; amending Minnesota Statutes 1984, section 297A.25, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Johnson, D.J.; Peterson, C.C.; Moe, R.D.; Merriam and Bernhagen introduced—

S.F. No. 1241: A bill for an act relating to local government aid; modifying the distribution formula for cities; amending Minnesota Statutes 1984, sections 477A.011, subdivisions 3, 10, and by adding subdivisions; 477A.013; and 477A.03, by adding a subdivision; repealing Minnesota Statutes 1984, sections 477A.011, subdivisions 4 and 5; and 477A.0131.

Referred to the Committee on Local and Urban Government.

# Mr. Dieterich introduced—

S.F. No. 1242: A bill for an act relating to municipalities; excluding programs licensed by the department of corrections from the residential programs that are considered a permitted single family residential use of property for purposes of zoning; amending Minnesota Statutes 1984, sections 245.812, subdivision 3; and 462.357, subdivision 7.

Referred to the Committee on Local and Urban Government.

Messrs. Peterson, R.W.; Merriam and Schmitz introduced---

S.F. No. 1243: A bill for an act relating to education; reducing the mill rate for basic computation of capital expenditure aid; allowing aid to be reduced proportionately if a district levies less than the maximum permitted; appropriating money; amending Minnesota Statutes 1984, sections 121.151; 124.245; and 275.125, subdivision 11a; repealing Minnesota Statutes 1984, section 124.245, subdivision 1, as amended.

Referred to the Committee on Education.

Mr. Knutson introduced—

S.F. No. 1244: A bill for an act relating to the city of Burnsville; increasing the total number of on-sale liquor licenses.

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

Messrs. Frederickson, Kamrath, Mmes. Kronebusch, McQuaid and Ms. Olson introduced-

S.F. No. 1245: A bill for an act relating to governmental operations; regulating the salaries of legislators, judges, and constitutional officers; eliminating the compensation council; repealing Minnesota Statutes 1984, section 15A.082.

Referred to the Committee on Governmental Operations.

Messrs. Solon; Moe, R.D. and Taylor introduced-

S.F. No. 1246: A bill for an act relating to economic security; clarifying the community action program financial assistance requirements; amending Minnesota Statutes 1984, section 268.52, subdivisions 1 and 2.

Referred to the Committee on Finance.

Messrs. Chmielewski, Schmitz, Isackson, Renneke and Stumpf introduced-

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S.F. No. 1247: A bill for an act relating to local government aid; restoring aid to towns; amending Minnesota Statutes 1984, section 477A.013, subdivision 1.

Referred to the Committee on Local and Urban Government.

Mrs. Brataas, Mr. Johnson, D.E.; Mrs. Lantry and Mr. Dicklich introduced-

S.F. No. 1248: A bill for an act relating to health; limiting liability of a professional standards review organization for failure to provide medical care or treatment; amending Minnesota Statutes 1984, section 145.63.

Referred to the Committee on Health and Human Services.

Mr. Purfeerst introduced-

S.F. No. 1249: A bill for an act relating to horse racing; making certain technical and clarifying amendments; providing for certain name changes; modifying certain license revocation and suspension procedures; modifying the amounts deducted by the licensee for purses; amending Minnesota Statutes 1984, sections 240.01, subdivision 10; 240.02, subdivision 5; 240.03; 240.04; 240.05, subdivision 2; 240.06, subdivision 2; 240.08, subdivisions 1 and 5; 240.09, subdivisions 2, 3, and 6; 240.13, subdivisions 5 and 6; 240.15, subdivision 6; 240.16, subdivisions 1 and 6; 240.18; 240.22; 240.25, subdivisions 1 and 4; and 240.29.

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

Mr. Davis introduced-

S.F. No. 1250: A bill for an act relating to occupations and professions; altering certain class B master electrician licensing requirements; amending Minnesota Statutes 1984, sections 326.01, subdivision 6; and 326.242, subdivision 1.

Referred to the Committee on Economic Development and Commerce.

Mr. Dicklich introduced-

S.F. No. 1251: A bill for an act relating to St. Louis county; providing a retirement contribution exemption for emergency jobs program employees; amending Laws 1984, chapter 501, section 1.

Referred to the Committee on Employment.

Mrs. Lantry introduced-

S.F. No. 1252: A bill for an act relating to public safety; authorizing commissioner to prescribe fees and prescribing fees; providing for statutory inclusion of state patrol lieutenants; providing that commissioner control video game of chance license fees; abolishing fire code regulations relating to theaters, halls, and dry cleaning and dyeing establishments; amending Minnesota Statutes 1984, sections 299A.01, subdivision 6; 299C.37, subdivision 3; 299D.03, subdivision 2; 299F.19, subdivision 1; and 349.52, subdivisions 2 and 3; repealing Minnesota Statutes 1984, sections 299H.211 to 299H.28; 299I.01 to 299I.08; 299I.10; and 299I.20 to 299I.24.

Referred to the Committee on Transportation. Mr. Dieterich questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

## Mr. Davis introduced-

S.F. No. 1253: A bill for an act relating to human services; excluding certain day care services from licensure; amending Minnesota Statutes 1984,... section 245.791.

Referred to the Committee on Health and Human Services.

## Mr. Dicklich introduced-

S.F. No. 1254: A bill for an act relating to occupational safety and health; prescribing duties of employers and of employees; providing for standards; providing for the use of investigative information; providing for enforcement mechanisms; amending Minnesota Statutes 1984, sections 182.651, subdivision 14; 182.653, subdivisions 4a, 4b, 4c, 4e, and 4f; 182.654, subdivision 11; 182.655, subdivisions 10 and 10a; 182.659, by adding a subdivision; 182.661, subdivision 1, and by adding a subdivision; 182.668, subdivision 1; and 182.669, subdivision 1.

Referred to the Committee on Employment.

#### Mr. Diessner and Ms. Berglin introduced—

S.F. No. 1255: A bill for an act relating to human services; requiring notice to the designated agency in certain proceedings pertaining to persons committed as mentally ill and dangerous; authorizing the commissioner to transfer persons committed as mentally ill and dangerous between regional centers under certain circumstances; amending Minnesota Statutes 1984, sections 253B.14; 253B.18, subdivisions 4b, 5, and 6; and 253B.23, subdivision 7.

Referred to the Committee on Health and Human Services.

Messrs. Hughes, Chmielewski, Diessner, Dicklich and Ramstad introduced—

S.F. No. 1256: A bill for an act relating to public safety; creating a division of elevator inspection in the department of labor and industry; providing for duties, powers, and fees; providing for annual, statewide, certified inspections of elevators by qualified inspectors; allowing municipalities with qualified elevator inspection programs to be exempt from state inspection; establishing a study of elevator safety inspections; requiring a report to the legislature; prescribing a penalty; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 183.

Referred to the Committee on Employment.

Messrs. Dicklich; Johnson, D.J. and Chmielewski introduced-

S.F. No. 1257: A bill for an act relating to natural resources; maintaining

the purity of state waters by restricting the location of hazardous waste disposal sites; amending Minnesota Statutes 1984, sections 115A.03, subdivision 13; 115A.075; 115A.18; 115A.20; and 115A.291.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Johnson, D.J.; Dicklich; Lessard; Willet and Bernhagen introduced—

S.F. No. 1258: A bill for an act relating to natural resources; grants to counties to aid in timber development; amending Minnesota Statutes 1984, section 282.38.

Referred to the Committee on Agriculture and Natural Resources.

# Mr. Johnson, D.J. introduced----

S.F. No. 1259: A bill for an act relating to peace officers; regulating hours worked by part-time peace officers; amending Minnesota Statutes 1984, section 179A.03, subdivision 14.

Referred to the Committee on Employment.

Messrs. Johnson, D.J. and Dicklich introduced-

S.F. No. 1260: A bill for an act relating to the environment; appropriating money to the commissioner of natural resources for payment to Lake county for improvements to the environmental learning center at Isabella, Minnesota.

Referred to the Committee on Finance.

Messrs. Dicklich and Johnson, D.J. introduced-

S.F. No. 1261: A bill for an act relating to the environment; directing the state planning director to encourage recycling; amending Minnesota Statutes 1984, section 116K.04, subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Solon, Wegscheid and Samuelson introduced-

S.F. No. 1262: A bill for an act relating to health; prohibiting misrepresentation of certain third-party payments and billing practices; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 146.

Referred to the Committee on Economic Development and Commerce.

Mr. Kroening introduced—

S.F. No. 1263: A bill for an act relating to retirement; providing for the return to work of a police officer, firefighter and the provision of service credit for certain periods of disability; amending Minnesota Statutes 1984, section 423A.15.

Referred to the Committee on Governmental Operations.

Mr. Kroening introduced----

S.F. No. 1264: A bill for an act relating to retirement; providing for the

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offset of disability pension payments with workers' compensation payments; allowing the offset to occur for salary levels where a person could have been promoted; amending Minnesota Statutes 1984, section 423A.14, subdivision 1.

Referred to the Committee on Governmental Operations.

## Mr. Kroening introduced—

S.F. No. 1265: A bill for an act relating to retirement; granting the authority to firefighter relief associations in cities of the first class to elect retired members to the associations' board of directors; amending Minnesota Statutes 1984, section 69.26.

Referred to the Committee on Governmental Operations.

Mr. Peterson, R.W. introduced—

S.F. No. 1266: A bill for an act relating to state lands; providing for the sale of certain tax-forfeited land in Chisago county.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Peterson, R.W. and Novak introduced—

S.F. No. 1267: A bill for an act relating to taxation; altering the distribution of unrefunded tax paid on gasoline for motor boat purposes; increasing the amount of unrefunded tax paid on gasoline used for motor boat purposes; amending Minnesota Statutes 1984, section 296.421, subdivision 4, and by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Peterson, R.W. introduced----

S.F. No. 1268: A bill for an act relating to transportation; defining "trees" for purposes of removal from highway right of way; amending Minnesota Statutes 1984, section 160.22, by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Willet introduced-

S.F. No. 1269: A bill for an act relating to intoxicating liquor; allowing Shingobee township to issue and renew certain off-sale licenses.

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

Mr. Vega introduced----

S.F. No. 1270: A bill for an act relating to energy; energy assistance; establishing eligibility standards for heating assistance and weatherization; providing that assistance shall be based on actual heating costs; allocating funds for the weatherization program; amending Minnesota Statutes 1984, section 268.37, subdivisions 3, 5, and by adding a subdivision; proposing

coding for new law in Minnesota Statutes, chapter 268.

Referred to the Committee on Energy and Housing.

Messrs. Hughes and Petty introduced-

S.F. No. 1271: A bill for an act relating to children; requiring an interagency program to deal with the multifaceted problems of children in need; authorizing pilot programs in ten communities; appropriating money.

Referred to the Committee on Education.

Mr. Stumpf, Mrs. Adkins, Messrs. Bernhagen, Lessard and Renneke introduced-

S.F. No. 1272: A bill for an act relating to partition fences; changing certain responsibilities and procedures; amending Minnesota Statutes 1984, sections 344.02; 344.03, subdivision 1, and by adding a subdivision; and 344.13; proposing coding for new law in Minnesota Statutes, chapter 344.

Referred to the Committee on Local and Urban Government.

Ms. Reichgott introduced-

S.F. No. 1273: A bill for an act relating to jails; prohibiting the detainment of minors in jails located within the seven county metropolitan area; proposing coding for new law in Minnesota Statutes, chapter 260.

Referred to the Committee on Health and Human Services.

Messrs. Petty; Peterson, R.W. and Johnson, D.E. introduced---

S.F. No. 1274: A bill for an act relating to crimes; prohibiting withholding rented prerecorded videotapes; prescribing penalties; amending Minnesota Statutes 1984, section 609.52, subdivision 2.

Referred to the Committee on Judiciary.

Mr. Chmielewski introduced-

S.F. No. 1275: A bill for an act relating to the development of timber resources on tax-forfeited lands; transferring certain powers and duties of the commissioner of iron range resources and rehabilitation to the commissioner of natural resources; amending Minnesota Statutes 1984, section 282.38, subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Petty and Ms. Berglin introduced-

S.F. No. 1276: A bill for an act relating to human services; requiring licensure of facilities for children and handicapped persons in need of treatment; providing for licensure of certain facilities by the department of human services; allowing licensing of day care units for five or more nonresidents; amending Minnesota Statutes 1984, sections 245.782, subdivision 2; and 245.791; proposing coding for new law in Minnesota Statutes, chapter 245. Referred to the Committee on Health and Human Services.

Mr. Knaak introduced-

S.F. No. 1277: A bill for an act relating to summary execution of judgment debts; requiring financial institutions to notify the sheriff when an exemption is claimed under certain circumstances; amending Minnesota Statutes 1984, section 550.041, subdivision 3.

Referred to the Committee on Judiciary.

#### Mr. Dicklich introduced-

S.F. No. 1278: A bill for an act relating to financial institutions; providing for the extension of certain loan assumptions; amending Minnesota Statutes 1984, section 47.20, by adding a subdivision.

Referred to the Committee on Economic Development and Commerce.

Mr. Vega, Ms. Reichgott, Mr. Anderson and Mrs. McQuaid introduced-

S.F. No. 1279: A bill for an act relating to housing; providing for a product standard for formaldehyde in building materials used in the construction of housing units; amending Minnesota Statutes 1984, section 325F.18, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 325F; repealing Minnesota Statutes 1984, sections 144.495; and 325F.18, subdivision 5.

Referred to the Committee on Energy and Housing.

Messrs. Novak; Peterson, C.C.; Dieterich; Laidig and Moe, D.M. introduced-

S.F. No. 1280: A bill for an act relating to taxation; providing an income tax credit for contributions to a public radio or television station; amending Minnesota Statutes 1984, sections 290.06, by adding a subdivision; and 290.089, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Pehler; Moe, R.D. and Storm introduced-

S.F. No. 1281: A bill for an act relating to taxation; changing the procedure for the calculation of the rate on gasoline and special fuel taxes; amending Minnesota Statutes 1984, sections 296.02, subdivision 1b, and by adding a subdivision; and 296.025, subdivision 1.

Referred to the Committee on Transportation.

Mr. Davis introduced—

S.F. No. 1282: A bill for an act relating to consumer protection; requiring certain sellers to disclose their business telephone numbers to buyers; proposing coding for new law in Minnesota Statutes, chapter 325G.

Referred to the Committee on Economic Development and Commerce.

# Mr. Davis introduced—

S.F. No. 1283: A bill for an act relating to agriculture; providing a property tax credit for landowners that lease agricultural land to beginning farmers; excluding a portion of the capital gains from an exercise of an option to purchase agricultural land by a beginning farmer; establishing a county lease committee to approve leases to beginning farmers; appropriating money; amending Minnesota Statutes 1984, sections 290.01, subdivision 20b; 290.361, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 273, 290, and 395.

Referred to the Committee on Agriculture and Natural Resources.

## Messrs. Purfeerst, Langseth, Solon and Frederick introduced-

S.F. No. 1284: A bill for an act relating to traffic regulations; authorizing commissioner of transportation to issue special permit for three-vehicle combination exceeding length and weight restrictions if used for transporting motor vehicles and operating only within 15 miles of the western border of Minnesota; amending Minnesota Statutes 1984, sections 169.81, subdivision 2; and 169.86, subdivision 5, and by adding a subdivision.

Referred to the Committee on Transportation.

## Mr. Stumpf introduced—

S.F. No. 1285: A bill for an act relating to natural resources; making groundwater protection a watershed district purpose; establishing a procedure for increasing the number of watershed district managers; defining certain chapter 112 proceedings as contested cases; providing a procedure for noncontroversial chapter 112 proceedings; allowing demands for contested case hearings in chapter 112 proceedings; amending Minnesota Statutes 1984, sections 112.36, subdivision 2; 112.37, subdivision 1a; and 112.401; proposing coding for new law in Minnesota Statutes, chapter 112; repealing Minnesota Statutes 1984, section 112.37, subdivision 6.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Davis introduced—

S.F. No. 1286: A bill for an act relating to agriculture; providing for allocation of agricultural research money to the legislative commission on Minnesota resources; increasing the membership of the legislative commission on Minnesota resources; establishing an agriculture subcommittee of the legislative commission on Minnesota resources; appropriating money; amending Minnesota Statutes 1984, sections 86.03; 86.07, subdivision 1, and by adding a subdivision; 86.11, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Isackson, DeCramer and Diessner introduced-

S.F. No. 1287: A bill for an act relating to motor vehicles; expanding definition of "motorized bicycle" to include motor scooters; amending Minne-

sota Statutes 1984, sections 168.011, subdivision 27; 169.01, subdivision 4a; and 171.01, subdivision 20.

Referred to the Committee on Transportation.

Messrs. Stumpf; Peterson, C.C.; DeCramer; Schmitz and Berg introduced—

S.F. No. 1288: A bill for an act relating to agricultural resource loan guaranty program; modifying the terms of the state's guaranty; permitting purchases of private guarantees; repealing the authority to issue state general obligation bonds; authorizing the issuance of revenue bonds; restricting the use of tax increments; appropriating money; amending Minnesota Statutes 1984, sections 41A.01; 41A.02, subdivisions 5, 7, 8, and by adding a subdivision; 41A.03, subdivisions 1, 3, and by adding a subdivision; 41A.04, subdivisions 1 and 3; 41A.05, subdivisions 1, 2, 3, and by adding a subdivision; and 41A.06, subdivisions 1 and 5; proposing coding for new law in Minnesota Statutes, chapter 41A; repealing Laws 1984, chapter 502, article 10, section 12.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Olson, Mrs. McQuaid and Mr. Isackson introduced-

S.F. No. 1289: A bill for an act relating to cities; providing for public notice and competitive bidding for real estate sales; proposing coding for new law in Minnesota Statutes, chapter 471.

Referred to the Committee on Local and Urban Government.

# Messrs. Stumpf, DeCramer and Mrs. Adkins introduced-

S.F. No. 1290: A bill for an act relating to education; changing the cost differential tier to include a parity factor; amending Minnesota Statutes 1984, section 124A.06, subdivision 1, and by adding subdivisions; repealing Minnesota Statutes 1984, section 124A.06, subdivisions 2 and 3a.

Referred to the Committee on Education.

Mr. Benson introduced—

S.F. No. 1291: A bill for an act relating to the city of Harmony; allocating money from state-aid funds to replace bridge.

Referred to the Committee on Local and Urban Government.

Messrs. Storm, Knaak, Jude and Merriam introduced-

S.F. No. 1292: A bill for an act relating to the city of Edina; providing that survivors' benefits of firemen's service association be paid as provided by general law; repealing Laws 1965, chapter 592, section 4, as amended.

Referred to the Committee on Governmental Operations.

Messrs. Moe, D.M.; Renneke; Wegscheid and Spear introduced-

S.F. No. 1293: A bill for an act relating to retirement; providing lump sum

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payments to certain retired or disabled public employees; appropriating money.

Referred to the Committee on Governmental Operations.

Mrs. Brataas, Messrs. Anderson, Ramstad, Storm and Isackson introduced—

S.F. No. 1294: A bill for an act relating to unemployment compensation; altering the public policy statement; changing the taxable wage base; defining credit week; providing for employer charging; increasing the eligibility requirement; eliminating certain tax rate limitations; changing the weekly benefit amount; capping the maximum weekly benefit; providing for the duration of benefits; increasing the duration of benefits for claimants in counties with high unemployment; providing for seasonal employees, making the waiting week nonreimbursable; amending the benefit offset for severance pay; increasing the period of time and earnings necessary for regualification after disqualification; changing the definition of suitable work; transferring duties to the office of administrative hearings; amending Minnesota Statutes 1984, sections 14.03, subdivision 2; 14.51; 268.03; 268.04, subdivisions 25 and 29; 268.06, subdivisions 5, 8, 18, 19, and 20; 268.07, subdivisions 2 and 2a; 268.08, subdivisions 1 and 3; 268.09, subdivisions 1 and 2; 268.10, subdivisions 2, 3, 4, 5, 6, and 9; 268.12, subdivisions 8, 9, 10, and 13; and 268.18, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 268.

Referred to the Committee on Employment.

Mr. Merriam, Ms. Peterson, D.C. and Mr. Dahl introduced-

S.F. No. 1295: A bill for an act relating to energy utility service, assuring reasonable energy costs for residents of manufactured home parks; amending Minnesota Statutes 1984, sections 216B.15; 216B.57; 216B.62, by adding a subdivision; 216B.64; and 327C.04, by adding subdivisions.

Referred to the Committee on Energy and Housing.

Mr: Purfeerst introduced—

S.F. No. 1296: A bill for an act relating to retirement; disability benefits for newly hired Faribault firefighters; amending Laws 1947, chapter 43, by adding a section.

Referred to the Committee on Governmental Operations.

Mr. Pehler introduced—

S.F. No. 1297: A bill for an act relating to health; authorizing the commissioner of health to inspect certain business premises; classifying investigation information; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Health and Human Services.

Mr. Merriam introduced-

S.F. No. 1298: A bill for an act relating to natural resources; altering cer-

tain revenue and fee provisions for state parks, recreation areas, and waysides; amending Minnesota Statutes 1984, sections 85.05, subdivisions 1 and 2; and 85.22, subdivision 2a.

Referred to the Committee on Agriculture and Natural Resources.

Mrs. Brataas introduced-

S.F. No. 1299: A bill for an act relating to public lands; authorizing Olmsted county to acquire a road easement in certain state land.

Referred to the Committee on Agriculture and Natural Resources.

# ADJOÙRNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:00 p.m., Monday, April 1, 1985. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate