

FORTY-FIFTH DAY

St. Paul, Minnesota, Thursday, April 25, 1985

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. John Rettger.

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

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

The President declared a quorum present.

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

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1216:

H.F. No. 1216: 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.

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

Redalen; Anderson, G., and McDonald have been appointed as such com-

mittee on the part of the House.

House File No. 1216 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 24, 1985

Mr. Moe, R.D. moved that H.F. No. 1216 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 683, 882, 937 and 633.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 24, 1985

FIRST READING OF HOUSE BILLS

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

H.F. No. 683: 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 a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1223, now on General Orders.

H.F. No. 882: A bill for an act relating to natural resources; authorizing the commissioner to enter into agreements with other states for forest fire prevention and suppression purposes; proposing coding for new law in Minnesota Statutes, chapter 88.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 614, now on General Orders.

H.F. No. 937: A bill for an act relating to wild animals; altering provisions relating to taking and possession of certain animals; amending Minnesota Statutes 1984, sections 98.48, subdivision 5; 100.27, subdivisions 1, 3, and 4; and 100.29, subdivisions 15 and 25.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 791, now on General Orders.

H.F. No. 633: A bill for an act relating to traffic regulations; providing for a temporary definition of school bus; providing for book racks and "MN" designation on school buses; amending Minnesota Statutes 1984, section 169.44, by adding subdivisions.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 622, now on General Orders.

REPORTS OF COMMITTEES

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

adopted, with the exception of reports pertaining to appointments. The motion prevailed.

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

H.F. No. 268: A bill for an act relating to the environment; removing statutory provisions for joint and several liability and causation for personal injury; changing the date when liability applies; removing additional defense for abnormally dangerous activity; stating effect of removing certain provisions; amending Minnesota Statutes 1984, sections 115B.05, subdivision 1; 115B.06, subdivision 1; and 115B.09; proposing coding for new law in Minnesota Statutes, chapter 115B; repealing Minnesota Statutes 1984, sections 115B.06, subdivision 2; and 115B.07.

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

Page 2, line 22, delete “*unless the plaintiff shows that*”

Page 2, delete lines 23 to 25

Page 2, line 26, delete everything before the period

Page 3, delete section 6

Page 3, line 32, delete “6” and insert “5”

Renumber the sections in sequence

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

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

S.F. No. 116: A bill for an act relating to labor; creating an employees social responsibility act; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 181.

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

Delete everything after the enacting clause and insert:

“Section 1. [181.931] [DEFINITIONS.]

Subdivision 1. [GENERALLY.] For the purposes of sections 1 to 8 the terms defined in this section have the meanings given them.

Subd. 2. [EMPLOYEE.] “Employee” means a person who receives compensation, in any form, for services rendered to an employer. Employee includes a person employed by the state or any political subdivision of the state. Employee does not include an independent contractor or a person rendering services to an employer on behalf of an independent contractor.

Subd. 3. [EMPLOYER.] “Employer” means any person having one or more employees and includes the state and any political subdivisions of the state.

Sec. 2. [181.932] [DISCLOSURE OF INFORMATION.]

Subdivision 1. [REPORT TO LAW ENFORCEMENT OFFICIAL.] An

employee having knowledge of the commission of a crime by the person's employer may report the matter to any law enforcement official where the crime occurred.

Subd. 2. [DISCLOSURE OF IDENTITY.] No law enforcement official shall disclose, or cause to disclose, the identity of any employee making a report or providing information, under subdivision 1, without the employee's consent.

Sec. 3. [181.933] [PROHIBITED ACTIONS.]

An employer shall not discharge, discipline, threaten, or otherwise discriminate against or penalize an employee regarding the employee's compensation, terms, conditions, locations, or privileges of employment because the employee, or a person acting on behalf of the employee: (1) makes a report under section 2; (2) participates in an investigation, hearing, or inquiry involving a report made under section 2; or (3) refuses to participate in any activity that violates any criminal law. This section does not protect an employee making statements or disclosures in bad faith or knowing that they are false or in reckless disregard of the truth.

Sec. 4. [181.934] [CIVIL ACTION.]

Subdivision 1. [TIME LIMITATION.] An employee who alleges a violation of section 3 may bring a civil action for appropriate injunctive relief, or actual damages, or both within one year after the date of the employer's actions violating section 3.

Subd. 2. [DEFENSES.] It shall be a defense to any action brought pursuant to this section that the personnel action was predicated upon grounds other than the employee's exercise of any rights protected by section 3.

Sec. 5. [181.935] [REMEDIES.]

The district court may order reinstatement of the employee, the payment of back wages with interest, full reinstatement of fringe benefits and seniority rights, actual and compensatory damages, attorney's fees, or any combination of these remedies for each violation of section 3.

Sec. 6. [181.936] [FALSE DISCLOSURE.]

An employee who makes a false disclosure under section 2, in bad faith or knowing that it is false or in reckless disregard of the truth, is liable for a fine of not more than \$300 and for costs of litigation, including reasonable attorney's fees, incurred by the employer.

Sec. 7. [181.937] [CONFIDENTIAL INFORMATION.]

Sections 1 to 6 do not permit disclosures that would violate federal or state law or diminish or impair the rights of any person to the continued protection of privileged or confidential communications.

Sec. 8. [181.939] [COMPENSATION.]

Sections 1 to 8 do not require an employer to compensate an employee for participation in any investigation, hearing, or inquiry held by a public body or public officer pursuant to section 3.

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. 1458: A bill for an act relating to traffic regulations; removing certain restrictions on special permits to move manufactured homes; amending Minnesota Statutes 1984, section 169.86, subdivision 1.

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. 1414: A bill for an act relating to the city of Plymouth; authorizing the reassessment of special assessments against certain lands in the city.

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

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

H.F. No. 1150: A bill for an act relating to state lands; providing for the sale of certain tax-forfeited land in Chisago county.

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

Delete everything after the enacting clause and insert:

“Section 1. [STATE LAND CONVEYANCE.]

(a) *Notwithstanding the public sale requirements of Minnesota Statutes, section 282.01, Chisago county may sell to George Gibson, 1032 E. Minnehaha, St. Paul, Minnesota, at private sale but otherwise in the manner provided for appraisal, sale, and conveyance of tax-forfeited land in Minnesota Statutes, chapter 282, the following described real property in Chisago county:*

Cambridge Lake Estates,

Unit 4, Block 2, Lot 16.

(b) *George Gibson owns an adjacent lot that is undersized for permanent housing. The lot in paragraph (a) is also undersized for permanent housing. Acquisition of the adjoining lot would allow Mr. Gibson to build permanent housing on the combined lots.”*

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. 1450: A bill for an act relating to natural resources; altering certain provisions regarding water permit fees; amending Minnesota Statutes

1984, section 105.44, subdivision 10.

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

Page 1, line 12, delete the first comma and insert "or" and delete ", or extend the duration of"

Page 1, line 15, delete the first comma and insert "or" and after "transfer" delete ", or"

Page 1, line 16, delete the new language

Page 1, lines 23 to 25, delete the new language

Page 2, lines 1 to 4, reinstate the stricken language and delete the new language

Page 2, after line 24, insert:

"Sec. 2. [105.542] [CIVIL PENALTY.]

A person who undertakes a project without a permit or application required under sections 105.37 to 105.64, or knowingly undertakes a project in excess of permit limitations may be assessed a civil penalty up to \$750."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "providing a penalty for water permit violations;"

Page 1, line 5, before the period, insert "proposing coding for new law in Minnesota Statutes, chapter 105"

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. 926: A bill for an act relating to environment; amending the authority of the metropolitan waste control commission with regard to the siting and operation of sewage sludge disposal facilities; amending Minnesota Statutes 1984, section 473.153, subdivisions 1, 2, and 7.

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

Page 3, delete section 3 and insert:

"Sec. 3. Minnesota Statutes 1984, section 473.153, subdivision 7, is amended to read:

Subd. 7. [EXEMPTIONS.] Nothing in this section shall be construed to preclude the commission from continuing to use existing sewage sludge disposal facilities. In addition, to the same extent and upon the same conditions as sewage sludge may be applied on private property pursuant to section 473.516, subdivisions 3 and 4, the commission may use any site of less than 500 acres owned by the commission for the purpose of landspreading sewage sludge for a period no longer than four years. Any property currently used by

the commission and permitted by the agency for disposing of the commission's solid waste may continue to be used for that purpose by the commission, as permitted by the agency, for a period not to exceed four years."

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was re-referred to the Committee on Rules and Administration.

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

H.F. No. 35: 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; and 41.61, 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 41.56, subdivision 3, is amended to read:

Subd. 3. [DEFAULT, FILING CLAIM.] (a) Within 90 days of a default on a guaranteed family farm security loan, the lender shall send notice to the ~~applicant~~ participant stating that the commissioner must be notified if the default continues for 180 days, and the consequences of that default. The lender and the ~~applicant~~ participant may agree to take any steps reasonable to assure the fulfillment of the loan obligation.

(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.

(c) After 180 days from the initial default, if the ~~applicant~~ participant has not made arrangements to meet his obligation, the lender shall file a claim with the commissioner, identifying the loan and the nature of the default, and assigning to the state all of the lender's security and interest in the loan in exchange for payment according to the terms of the family farm security loan guarantee. In the case of a seller-sponsored loan, the seller may elect to pay the commissioner all sums owed the commissioner by the ~~applicant~~ participant and retain title to the property in lieu of payment by the commissioner under the terms of the loan guarantee. If the commissioner determines that the terms of the family farm security loan guarantee have been met, he shall

authorize payment of state funds to the lender, and shall notify the defaulting party. The state of Minnesota shall then succeed to the interest of the mortgagee or the vendor of the contract for deed. Taxes shall be levied and paid on the land as though the owner were a natural person and not a political subdivision of the state. The commissioner may, on behalf of the state, commence foreclosure or termination proceedings in the manner provided by law.

Sec. 2. Minnesota Statutes 1984, section 41.56, subdivision 4, is amended to read:

Subd. 4. [SALE OF DEFAULTED PROPERTY.] In the event that title to any property is acquired by the state, upon conveyance of title to the state and expiration of the period of redemption, the commissioner shall, ~~within 15 days of the expiration of the period of redemption,~~ undertake to sell the property by publishing a notice of the impending sale at least once each week for four successive weeks in a legal newspaper and also in a newspaper of general distribution in the county in which the property to be sold is situated. The notice must describe the lots or tracts to be offered and the terms of sale. Except as further provided, the terms and method of sale shall be determined by the commissioner.

The commissioner shall first attempt to sell the property to a person who is eligible for a family farm security loan. If the commissioner is unable to effect a sale to an eligible person, the commissioner shall attempt to sell the property for cash as provided in subdivision 4a. If the commissioner is unable to effect a sale to an eligible person or for cash, or if the commissioner finds that sale to an eligible person or for cash would not best protect the interests of the state, the commissioner may sell the property on terms which the commissioner finds will best protect the interests of the state. The commissioner may lease any real property which he is unable to sell with reasonable promptness. In any event, any acquired farm property must be sold within ~~two~~ three years after the conveyance of title to the state or after the expiration of the period of redemption. The commissioner may contract for the services of a licensed real estate agent or broker to assist in selling any property acquired under this section and may pay for the services from the proceeds of the sale before proceeds are distributed under subdivision 4b.

Sec. 3. Minnesota Statutes 1984, section 41.56, subdivision 4a, is amended to read:

Subd. 4a. [SALE FOR CASH.] When the commissioner sells any farm property for cash, he shall follow the procedures provided in this subdivision. ~~If the sale will be completed more than 15 days after the last published notice of sale as provided in subdivision 4, the commissioner shall publish another notice as provided in that subdivision.~~ The commissioner shall sell the property to the highest bidder by taking sealed bids or by bids at public auction. The commissioner may refuse to accept any or all bids and, upon refusal, negotiate a sale at least the price of the highest bid, if any. ~~If a bid is accepted, the successful bidder shall be selected within 15 days of the date of the last published notice of sale.~~ The successful bidder shall submit bid security in the form of a certified check or bid bond, money order, or bank draft in the amount of ~~two~~ five percent of the bid price on the day of selection and shall remit the balance of the purchase price within 90 days of the date of sale.

Upon remittance by the purchaser of the balance within 90 days of the date of sale, the commissioner shall transfer title to the property, including any acquired mineral rights, to the purchaser by quitclaim deed. In the event that the purchaser fails to remit all of the balance within 90 days of the date of sale, the purchaser forfeits all rights to the property and any money paid for the property and the commissioner shall recommence the sale process specified in this subdivision.

Sec. 4. Minnesota Statutes 1984, section 41.57, subdivision 2, is amended to read:

Subd. 2. [PAYMENT ADJUSTMENT.] To be eligible for payment adjustment a family farm security loan shall have a maximum term of 20 years and shall provide for payments at least annually so that the loan shall be amortized over its term with equal annual payments of principal and interest, adjusted for variable interest rates, except that a loan to be amortized over a term of ten years or less need not provide for equal annual payments of principal and interest. During the first ten years of a family farm security loan, the commissioner shall annually pay to the lender four percent of the outstanding balance due at the beginning of that year and the *applicant participant* shall pay the remainder of the payment due. After the tenth year, the *applicant participant* shall make payments according to the stated interest rate. The *applicant participant* may petition the commissioner for one ten year renewal of the payment adjustment. If a renewal is granted, in the 21st year the *applicant participant* shall reimburse the commissioner for the sums paid on the *applicant's participant's* behalf under this subdivision. If no renewal is granted, the *applicant participant* shall reimburse the commissioner in the 11th year for the sums paid on the *applicant's participant's* behalf under this subdivision. The obligation to repay the payment adjustment is a lien against the property. If the *applicant participant* does not reimburse the state within the required time period, the commissioner may charge interest at the rate of two percent above the prevailing rate charged by the Federal Land Bank of St. Paul on the net amount owed for the period of delinquency. To recover the adjustment payment due in delinquency cases, the commissioner may proceed to foreclose by advertisement on the lien as if it were a real estate mortgage following the procedures in chapter 580.

Sec. 5. Minnesota Statutes 1984, section 41.57, subdivision 3, is amended to read:

Subd. 3. [ANNUAL REVIEW OF NET WORTH.] The *applicant participant*, his dependents and spouse shall annually submit to the commissioner a statement of their net worth. If their net worth in any year exceeds the sum of \$135,000, the *applicant participant* shall be ineligible for a payment adjustment in that year.

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.*

Sec. 7. Minnesota Statutes 1984, section 41.59, subdivision 1, is amended to read:

Subdivision 1. [IMMEDIATE REPAYMENT OF LOAN.] Any ~~applicant~~ *participant* who sells or conveys the property for which a family farm security loan was issued shall immediately retire the entire indebtedness still owed to the lender and the commissioner. The new owner may negotiate a family farm security loan in his own right, but under no circumstances may the original loan be assumed by the new owner. If the new owner is granted a family farm security loan, the new owner may agree to assume the original ~~applicant's~~ *participant's* responsibility to reimburse the commissioner for a payment adjustment received, as a portion of the total purchase price. That portion of the purchase price may not be included under the guarantee or considered when calculating the payment adjustment for the new owner. This subdivision is not intended to prohibit the ~~applicant~~ *participant* from granting a security interest in the property for the purposes of securing an additional loan.

Any ~~applicant~~ *participant* who fails to personally maintain the land covered by a family farm security loan in active agricultural production for a period of time longer than one year is in default. The default may be waived by the commissioner in the event of a physical disability or other extenuating circumstances.

Sec. 8. Minnesota Statutes 1984, section 41.61, subdivision 1, is amended to read:

Subdivision 1. [SPECIAL ACCOUNT; STANDING APPROPRIATION.] There is created a special account in the state treasury for the purposes of financing the family farm security program.

The amount needed from time to time to pay lenders for defaulted loans and make other payments authorized by this chapter including *loans for defaulted loan payments under section 41.56, subdivision 3, paragraph (b), and insurance premiums and, taxes, repairs and maintenance costs, and sale expenses* on defaulted farms is appropriated from the special account to the commissioner. Money is also appropriated to the commissioner from the special account so that the commissioner may purchase the rights of first lienholders at mortgage foreclosure sales *and purchase United States department of agriculture commodity credit corporation loans for grain storage bins and silos.* The sum of all outstanding family farm security loans guaranteed by the commissioner at any time may not exceed \$100,000,000.

Sec. 9. [EFFECTIVE DATE.]

This act is effective the day after final enactment."

Amend the title as follows:

Page 1, line 3, after the semicolon insert "providing for loan restructuring; extending the time for sales of defaulted property; allowing purchase of certain loans;"

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. Amendments adopted. Report adopted.

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

S.F. No. 1064: A bill for an act relating to local government; authorizing the city of Carlton to issue general obligation bonds to finance the acquisition and betterment of a new fire hall; permitting participation by other local government units; providing for the debt limit of the city of McGregor.

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

Page 2, after line 35, insert:

"Sec. 4. Minnesota Statutes 1984, section 282.01, is amended by adding a subdivision to read:

Subd. 7b. [FOND DU LAC RESERVATION LANDS.] If a parcel of land subject to sale under sections 282.01 to 282.13 includes land within the Fond du Lac Indian reservation, the county auditor shall first offer the land to the Fond du Lac band of Chippewa Indians for sale at the appraised value. The cost of any survey or appraisal must be added to and made a part of the appraised value. To determine whether the band wants to buy the land, the county auditor shall give written notice to the band. If the band wants to buy the land, it shall submit a written offer to the county auditor within two weeks after receiving the notice. If the offer is for at least the appraised value, the county auditor shall accept it."

Page 3, delete lines 1 to 6 and insert:

"Sections 1 to 3 are effective the day following final enactment. Section 4 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of Carlton county for land in Carlton county and by the governing body of St. Louis county for land in St. Louis county."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after "McGregor" insert "; requiring land within the Fond du Lac Indian reservation to be offered for sale to the Fond du Lac band; amending Minnesota Statutes 1984, section 282.01, by adding a subdivision"

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. 1131: A bill for an act relating to the city of South St. Paul;

providing for the financing of certain public improvements.

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

Page 2, line 21, delete "LOCAL APPROVAL;"

Page 2, delete lines 22 to 24 and insert:

"This act is effective the day following final enactment."

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. 1485: A bill for an act relating to the city of South St. Paul; authorizing the expenditure of certain tax increments to pay costs of a combined storm-sanitary sewer separation project.

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

Page 1, line 21, delete "LOCAL APPROVAL" and insert "EFFECTIVE DATE"

Page 1, delete lines 22 to 24 and insert:

"This act is effective the day following final enactment."

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. 1499: A bill for an act relating to Goodhue county; permitting the county to levy a tax for the county historical society.

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

Page 1, line 7, delete "3-1/2" and insert "one-third"

Page 1, line 8, delete "mills" and insert "mill"

Page 1, delete lines 12 to 14 and insert:

"Sec. 2. [REVERSE REFERENDUM.]

If the Goodhue county board intends to exercise the authority provided by section 1 in subsequent years, it shall pass a resolution stating the fact before January 1, 1986. Thereafter, the resolution shall be published for two successive weeks in the official newspaper of the county or, if there is no official newspaper, in a newspaper of general circulation in the county, together with a notice fixing a date for a public hearing on the matter. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the county may determine to take no further action or, in the alternative, adopt a resolution con-

firming its intention to exercise the authority. That resolution shall also be published in the official newspaper of the county or, if there is no official newspaper, in a newspaper of general circulation in the county. If within 30 days thereafter a petition signed by voters equal in number to five percent of the votes cast in the county in the last general election requesting a vote on the proposed resolution is filed with the county auditor, the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the election. The referendum must be held at a special or general election prior to December 1, 1986.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, after "society" insert "; imposing a reverse referendum requirement"

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

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

S.F. No. 925: A bill for an act relating to economic development; granting certain powers to municipalities; amending Minnesota Statutes 1984, sections 16B.61, subdivision 3; 273.73, subdivisions 9, 12, and by adding a subdivision; 273.74, subdivision 3; 273.75, subdivision 1; 273.76, subdivision 1; 458.16, by adding a subdivision; 462.352, subdivisions 5, 7, 9, 10, 15, and by adding a subdivision; 462.357, subdivision 1; 462.358, subdivision 2a; 472.08, subdivision 1; 472A.03; 474.02, by adding a subdivision; Laws 1980, chapter 595, section 3, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 465; and proposing coding for new law as Minnesota Statutes, chapter 472B.

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

Pages 1 and 2, delete sections 1 and 2

Page 2, line 12, delete "472B.03" and insert "472B.01"

Page 2, line 20, after "methods" insert "and"

Page 3, line 13, delete "472B.04" and insert "472B.02"

Page 3, line 16, after the comma, insert "but only if the municipality has been granted authority to exercise the powers enumerated in chapter 458,"

Page 3, line 22, delete ", not withstanding any"

Page 3, line 23, delete "other law," and delete "by public or private"

Page 3, line 24, delete "sale"

Page 4, line 2, delete "substantially"

Page 4, line 10, after "117" insert "*, provided that any exercise of the right of eminent domain hereby conferred shall not be for the purpose of preventing the development, mining, and use of mineral resources*"

Page 4, line 18, delete "5" and insert "3"

Page 4, line 19, delete "472B.05" and insert "472B.03"

Page 5, line 2, delete "472B.06" and insert "472B.04"

Page 5, lines 3 and 7, delete "4 and 5" and insert "2 and 3"

Page 5, line 22, delete "472B.07" and insert "472B.05"

Page 5, line 29, delete "6" and insert "4"

Page 5, line 31, delete "472B.08" and insert "472B.06"

Page 5, line 33, delete "POLICY" and insert "DEPARTMENT OF NATURAL RESOURCES REVIEW" and delete "*The legislature finds that*"

Page 5, delete lines 34 to 36

Page 6, delete lines 1 to 5

Page 6, line 6, delete "*such existing space.*"

Page 6, line 13, after "well" insert "*and exploratory*"

Page 7, line 27, delete "7" and insert "5"

Page 10, after line 18, insert:

"Sec. 12. Minnesota Statutes 1984, section 273.75, is amended by adding a subdivision to read:

Subd. 8. [MINED UNDERGROUND SPACE DEVELOPMENT DISTRICT.] Revenue derived from tax increment from a mined underground space development district may be used only to pay for the costs of excavating the space, of providing public access to the mined underground space including roadways, and of installing utilities in the space."

Page 12, lines 7, 15, and 29, delete "7" and insert "5"

Page 13, lines 4, 17, and 34, delete "7" and insert "5"

Page 14, line 11, delete "7" and insert "5"

Page 16, line 7, delete "7" and insert "5"

Page 16, line 30, delete "8" and insert "6"

Page 18, line 34, delete "7" and insert "5"

Page 19, line 25, delete "7" and insert "5"

Page 20, line 17, after "any" insert "*real*"

Page 20, line 18, delete "*, real or personal,*"

Page 20, line 19, delete "7" and insert "5"

Page 21, line 10, delete "7" and insert "5"

Page 22, line 6, delete "7," and insert "5, or of" and delete "*and con-*

struction.”

Page 22, delete line 7

Page 22, line 8, delete “structures”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after “1” insert “, and by adding a subdivision”

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. 107: A bill for an act relating to taxation; authorizing imposition of sales tax on lodging in towns and unorganized territories; amending Minnesota Statutes 1984, section 477A.018.

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

Page 1, line 15, strike “other use of space by a”

Page 1, line 16, strike “transient,” and insert “resort”

Page 1, line 17, after the period, insert “A statutory or home rule charter city may by ordinance impose the tax authorized under this subdivision on the camping site receipts of a municipal campground.”

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

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

S.F. No. 1110: A bill for an act relating to agriculture; restricting ownership of farm land by financial institutions; requiring lenders and farmers to review financial status before foreclosure; amending Minnesota Statutes 1984, sections 290.01, subdivision 20b; 500.24, subdivisions 2, 3, and 5; 580.02; proposing coding for new law in Minnesota Statutes, chapters 47, 581, and 582.

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

Page 1, line 17, before “A” insert “If” and delete “that”

Pages 2 to 6, delete section 2 and insert:

“Sec. 2. [290.491] [TAX ON GAIN; DISCHARGE IN BANKRUPTCY.]

Any tax due under this chapter on a gain realized on a forced sale pursuant to foreclosure of a mortgage or other security interest in agricultural production property, other real property, or equipment, used in a farm business that was owned and operated by the taxpayer shall be a dischargeable debt in a

bankruptcy proceeding under 11 U.S.C.A. 727."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "providing for discharge in bankruptcy of income tax on certain gain;"

Page 1, line 5, delete "290.01,"

Page 1, line 6, delete "subdivision 20b;"

Page 1, line 8, after "47," insert "290,"

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. 910: A bill for an act relating to flood plain management; establishing a state flood hazard mitigation program to mitigate the damaging effects of floods on public and private properties; authorizing grants-in-aid to local government units for flood damage mitigation; appropriating money; amending Minnesota Statutes 1984, section 104.02; proposing coding for new law in Minnesota Statutes, chapter 104.

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 104.02, is amended to read:
104.02 [DEFINITIONS.]

Subdivision 1. For the purposes of sections 104.01 to 104.07 the terms defined in this section have the meanings given them.

Subd. 2. "Regional flood" means a flood which is representative of large floods known to have occurred generally in Minnesota and reasonably characteristic of what can be expected to occur on an average frequency in the magnitude of the 100 year recurrence interval.

Subd. 3. "Flood plain" means the areas adjoining a watercourse or water basin which has been or hereafter may be covered by the regional flood.

Subd. 4. "Floodway" means the channel of the watercourse, and the bed of water basins, and those portions of the adjoining flood plains which are reasonably required to carry and discharge, and provide storage for the regional flood.

Subd. 5. "Flood fringe" means that portion of the flood plain outside of the floodway.

Subd. 6. "Local governmental unit" means a county or, statutory or home rule charter city, town, or watershed district.

Subd. 7. "Commissioner" means the commissioner of natural resources.

Subd. 8. "Structural measures" means physical actions taken to modify floods and flooding, including construction of dams, dikes, levees, and flood

bypass channels.

Subd. 9. "Nonstructural measures" means actions in flood plains designed to reduce the damaging effects of floods on existing and potential users of flood plains without physically altering the flood behavior. The measures may include public acquisition of flood plain lands, relocation of structures and facilities, floodproofing of essential facilities, flood warning systems, land use control ordinances, building codes, signs and notifications in regional flood areas, flood risk insurance, and public education.

Subd. 10. "Mitigation" means reducing the effects of floods through structural and nonstructural measures.

Sec. 2. [104.09] [FLOOD DAMAGE MITIGATION PLAN.]

Subdivision 1. [LOCAL GOVERNMENT UNIT.] Each local government unit may develop and implement a flood damage mitigation plan. If a comprehensive water plan is developed by the local government unit, the flood damage mitigation plan must be consistent with the comprehensive water plan. Each local government unit has the authority to:

(1) prepare and adopt a flood damage mitigation plan under this section; and

(2) exercise the powers necessary to implement the flood damage mitigation plan.

Subd. 2. [PLAN REQUIREMENTS.] A flood damage mitigation plan must include:

(1) the flood plain and shoreland management ordinances adopted and administered by the local governmental unit;

(2) the nature, causes, and extent of flooding and flood damages;

(3) the nature and extent of nonstructural measures presently used to prevent flooding;

(4) an evaluation of feasible, practical, and effective structural and non-structural methods and programs which could be implemented to mitigate the flood hazards;

(5) the financial capability of the local government to carry out flood hazard mitigation measures; and

(6) a disclosure of any funds from federal programs provided to local governments and applicable to mitigation efforts.

Subd. 3. [PLAN REVIEW.] The commissioner and state agencies shall review the flood mitigation plan and comment on the following elements:

(1) the feasibility, practicability, and effectiveness of the proposed mitigation measures and the associated nonflood related benefits and detriments;

(2) the recommended level of grant assistance that should be provided to the local government, based on available facts regarding the nature, extent, and severity of flood problems;

(3) the frequency of occurrence of severe flooding that has resulted in declaration of the area as a presidentially declared flood disaster area;

(4) the economic, social, and environmental benefits and detriments of the proposed mitigation measures;

(5) the nature and substance of existing flood plain and shoreland management ordinances and measures being implemented and administered by a local government unit;

(6) the financial capabilities of the local government to solve its flood hazard problems; and

(7) the estimated cost and method of financing of the proposed flood mitigation measures based on local funds and federal and state funding assistance.

Subd. 4. [APPROVAL.] The commissioner may require changes in the flood damage mitigation plan. The commissioner shall approve a flood damage mitigation plan after review and required changes, if any, are made.

Subd. 5. [STATE PROPERTY IN REGIONAL FLOOD AREAS.] (a) The commissioner, subject to availability of flood information, shall notify each state agency that may control or have jurisdiction over lands and facilities located within areas flooded by regional floods showing the extent of regional flooding by lists or maps.

(b) Each state agency occupying or using lands within areas flooded by regional floods as delineated by the commissioner shall prepare an inventory of all structures and facilities, except roads and bridges, located in the areas flooded by a regional flood, estimate the flood damage potential, and a proposed flood hazard mitigation plan that provides for the most feasible, practical, and effective flood mitigation measures for the structures and facilities. The inventory must be submitted to the county board where the areas are located. If a state agency receiving this notice does not have structures or facilities on lands located within the area flooded by a regional flood, the agency shall notify the commissioner.

Sec. 3. [104.095] [GRANTS TO LOCAL GOVERNMENT UNITS.]

The commissioner, after consultation with state agencies, shall make flood damage mitigation planning and implementation grants to local government units. The commissioner shall allocate the planning grants to local government units requesting grants based on the amount of flood damage occurring in each local government unit. The commissioner, after consultation with state agencies, shall make grants to local government units for implementation of flood damage mitigation plans, after approval of the flood damage mitigation plan according to statewide priorities established by rule.

Sec. 4. [REPORT.]

The state planning agency shall make a report on consolidation of state agencies controlling water resources. The report must designate a lead agency and provide for a governing board. At least two-thirds of the members of the board must be locally elected officials from throughout the state.

Sec. 5. [INVENTORY OF FLOOD-PRONE STRUCTURES.]

The commissioner of natural resources shall make an inventory of flood-prone structures. The inventory shall be made in cooperation with other federal, state, and local agencies. The inventory must be completed by De-

ember 31, 1985, and submitted to the senate agriculture and natural resources committee and house environment and natural resources committee.

Sec. 6. [APPROPRIATION.]

\$_____ is appropriated from the general fund to the commissioner of natural resources for planning grants under section 2.

\$_____ is appropriated from the general fund to the commissioner of natural resources to make an inventory of flood-prone structures. The complement of the department of natural resources is increased by six positions.

Sec. 7. [EFFECTIVE DATE.]

This act is effective July 1, 1985."

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, 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 be amended as follows:

Page 4, line 16, delete "3.5" and insert "11.5" and delete everything after "mills" and insert "minus the tax, not to exceed eight mills, imposed by United States Code, title 26, section 5701, as amended,"

Page 4, line 17, delete "shall be 7.5 mills"

Page 4, line 19, delete "7" and insert "8" and delete everything after "mills"

Page 4, line 20, delete "shall be 15 mills"

Page 4, delete section 8

Page 5, line 19, after the stricken "one-half" insert "3.8"

Page 5, lines 20 and 21, reinstate the stricken language

Page 5, line 22, delete the new language

Page 5, delete lines 23 to 25

Page 5, line 26, delete "times .5 mills"

Page 6, line 1, delete "August" and insert "November"

Page 6, line 3, delete "3.5" and insert "4"

Page 6, line 6, delete everything after the period

Page 6, delete lines 7 to 9

Page 7, line 29, delete "July" and insert "October"

Page 7, line 30, delete "five" and insert "7.5"

Page 7, line 31, delete everything after the period

Page 7, delete line 32

Page 7, line 35, delete "July" and insert "October"

Page 8, line 1, delete "five" and insert "7.5"

Page 8, line 2, delete everything after the period

Page 8, delete line 3

Page 8, after line 28, insert:

"Sec. 17. [FLOOR STOCKS TAX.]

Subdivision 1. [CIGARETTES AND LITTLE CIGARS.] A floor stocks tax is imposed upon every person engaged in business in this state as a distributor of cigarettes at the rate imposed under section 7 on cigarettes and little cigars in his possession or under his control at 12:01 o'clock a.m. on October 1, 1985.

Each distributor, on or before October 20, 1985, shall file a report with the commissioner, in such form as the commissioner may prescribe, showing the tobacco products on hand at 12:01 o'clock a.m. on October 1, 1985, and the amount of tax due thereon.

The tax imposed by this section less the discount provided in section 297.03, subdivision 5, shall be due and payable on or before November 20, 1985, and thereafter shall bear interest at the rate of one percent per month.

Subd. 2. [TOBACCO PRODUCTS.] A floor stocks tax is hereby imposed upon every person engaged in business in this state as a distributor of tobacco products, at the rate imposed under section 13 of the wholesale sales price of each tobacco product in his possession or under his control at 12:01 o'clock a.m. on October 1, 1985.

Each distributor, on or before October 20, 1985, shall file a report with the commissioner, in such form as the commissioner may prescribe, showing the tobacco products on hand at 12:01 o'clock a.m. on October 1, 1985, and the amount of tax due thereon.

The tax imposed by this section less the discount provided in section 297.35, subdivision 1, shall be due and payable on or before November 20, 1985, and thereafter shall bear interest at the rate of one percent per month."

Page 8, lines 31 and 35, delete "10" and insert "9"

Page 9, after line 5, insert:

"Sec. 20. [EFFECTIVE DATE.]

Sections 7, 10, 11, 12, 13, 14, and 17 are effective October 1, 1985, and

apply to cigarettes, tobacco products, and little cigars in the possession of distributors, as defined in Minnesota Statutes, section 297.01, subdivision 7, on the effective date."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete "subdivisions 5 and" and insert "subdivision"

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

Mr. Spear from the Committee on Judiciary, to which were referred the following appointments as reported in the Journal for January 31, 1985:

BOARD ON JUDICIAL STANDARDS

Hy Applebaum
Janna Roderick Merrick
Raul O. Salazar
James J. Schumacher

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Spear from the Committee on Judiciary, to which was referred the following appointment as reported in the Journal for March 25, 1985:

BOARD ON JUDICIAL STANDARDS

Miriam Lee

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S.F. Nos. 116, 1458, 1414, 1450, 1064, 1131, 1485, 1499, 925, 107 and 1110 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 268, 1150 and 35 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Ramstad moved that the name of Mr. Merriam be added as a co-author to S.F. No. 348. The motion prevailed.

Mr. Petty moved that the name of Mr. Freeman be added as a co-author to S.F. No. 607. The motion prevailed.

Mr. Nelson introduced—

Senate Resolution No. 74: A Senate resolution commending the Austin

High School Orchestra for being selected as a program of excellence by the Commissioner of Education.

Referred to the Committee on Rules and Administration.

Mr. Johnson, D.J. moved that S.F. 472 be taken from the table. The motion prevailed.

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, subdivision 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.

Mr. Johnson, D.J. moved that the Senate do not concur in the amendments by the House to S.F. No. 472, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated the General Orders Calendar a Special Orders Calendar to be heard immediately.

SPECIAL ORDER

H.F. No. 779: A bill for an act relating to taxation; changing certain income tax provisions relating to corporations; amending Minnesota Statutes 1984, sections 290.95, subdivision 1; 290.391; and 290.42.

Mr. Sieloff moved to amend H.F. No. 779, as amended pursuant to Rule 49, adopted by the Senate April 17, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 822.)

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1984, section 290.01, subdivision 20b, is

amended to read:

Subd. 20b. [MODIFICATIONS REDUCING FEDERAL ADJUSTED GROSS INCOME.] There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to 40 per centum of the portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Income from the performance of personal or professional services which is subject to the reciprocity exclusion contained in section 290.081, clause (a);

(4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether the amount is received as a refund or credited to another taxable year's income tax liability;

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, (ii) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954, or (iii) severance pay distributed to an individual upon discontinuance of the individual's employment due to termination of business operations by the individual's employer, provided that the termination is reasonably likely to be permanent, involves the discharge of at least 75 percent of the employees at that site within a one-year period, and the business is not acquired by another person who continues operations at that site. The maximum amount of this subtraction shall be \$11,000 less the amount by which the individual's

federal adjusted gross income, plus the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, exceeds \$17,000. For purposes of the preceding sentence, "federal adjusted gross income" shall not include railroad retirement or social security benefit amounts provided in sections 86 and 72(r) of the Internal Revenue Code of 1954. For purposes of this clause, "severance pay" means an amount received for cancellation of an employment contract or a collectively bargained termination payment made as a substitute for income which would have been earned for personal services to be rendered in the future. In the case of a volunteer firefighter who receives an involuntary lump sum distribution of his pension or retirement benefits, the maximum amount of this subtraction shall be \$11,000; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,000;

(7) To the extent included in the taxpayer's federal adjusted gross income for the taxable year, gain recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(8) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later;

(9) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed before January 1, 1986 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(10) The first \$3,000 of compensation for personal services in the armed forces of the United States or the United Nations, and the next \$2,000 of compensation for personal services in the armed forces of the United States or the United Nations wholly performed outside the state of Minnesota. This modification does not apply to compensation defined in subdivision 20b, clause (6);

(11) In the case of wages or salaries paid or incurred on or after January 1, 1977, the amount of any credit for employment of certain new employees under sections 44B and 51 to 53 of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(12) Unemployment compensation to the extent includible in gross income for federal income tax purposes under section 85 of the Internal Revenue Code of 1954;

(13) For an estate or trust, the amount of any income or gain which is not assignable to Minnesota under the provisions of section 290.17;

(14) Interest earned on a contract for deed entered into for the sale of property for agricultural use if the rate of interest set in the contract is no more than nine percent per year for the duration of the term of the contract. This

exclusion shall be available only if (1) the purchaser is an individual who, together with his spouse and dependents, has a total net worth valued at less than \$150,000 and (2) the property sold under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983;

(15) Income from the business of mining as defined in section 290.05, subdivision 1, clause (a) which is not subject to the Minnesota income tax;

(16) To the extent included in federal adjusted gross income, distributions from a qualified governmental pension plan which represent a return of designated employee contributions to the plan and which contributions were included in gross income pursuant to subdivision 20a, clause (17). The provisions of this clause shall apply before the provisions of clause (6) apply and an amount subtracted under this clause may not be subtracted under clause (6);

(17) To the extent included in federal adjusted gross income, distributions from an individual retirement account which represent a return of contributions if the contributions were included in gross income pursuant to subdivision 20a, clause (16). The distribution shall be allocated first to return of contributions included in gross income until the amount of the contributions has been exhausted; and

(18) To the extent included in federal adjusted gross income, social security benefits as defined and as provided in section 86 of the Internal Revenue Code of 1954, railroad retirement benefits as provided in section 72(r) of the Internal Revenue Code of 1954, and sick pay paid under the Railroad Unemployment Insurance Act as provided in section 105(i) of the Internal Revenue Code of 1954, provided that any amount subtracted under this clause may not be subtracted under clause (6);

(19) *To the extent included in federal adjusted gross income, the portion of any gain attributable to the discharge of indebtedness relating to a family farm, but if the gain is long-term capital gain for federal income tax purposes, the modification is limited to 40 percent of the portion of the gain. This modification does not apply to any cash proceeds distributed to the taxpayer after discharge of the debt. For purposes of this clause, "family farm" means the business of agriculture that the taxpayer, the taxpayer's spouse, or a person related to the taxpayer or the taxpayer's spouse within the third degree of kindred, resides on the property or is actively engaged in the operation of the business, and includes any dwellings located on the property. "Agriculture" means the production of livestock, dairy animals or*

dairy products, poultry or poultry products, fur-bearing animals, horticultural and nursery stock that is covered by sections 18.44 to 18.61, fruit, vegetables, forage, grain, and bees and apiary products."

Page 2, after line 8, insert:

"Sec. 3. Minnesota Statutes 1984, section 290.16, is amended by adding a subdivision to read:

Subd. 17. [GAIN RELATING TO DISCHARGE OF FARM INDEBTEDNESS.] Gain is not recognized due to discharge of indebtedness relating to a family farm corporation or an authorized farm corporation, except to the extent of any cash proceeds distributed to the corporation after discharge of the debt. For purposes of this subdivision, "family farm corporation" and "authorized farm corporation" have the meanings given them in section 500.24, subdivision 2, except that the term "farming" as used in those definitions shall include the activities listed in section 290.01, subdivision 20b, clause (19)."

Page 5, line 3, before "Section" insert "Sections 1 and 3 are effective for taxable years beginning after December 31, 1980. In addition to the regular prescribed time for filing, amended returns may be filed pursuant to sections 1 and 3 for one year after the date of enactment of this act, notwithstanding any other law to the contrary." and delete "1" and insert "2"

Page 5, line 4, delete "2" and insert "4"

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

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "providing for nonrecognition of gain from the discharge of farm indebtedness in certain circumstances;"

Page 1, line 4, after "sections" insert "290.01, subdivision 20b;"

Page 1, line 5, after "1," insert "290.16, by adding a subdivision;"

CALL OF THE SENATE

Mr. Sieloff imposed a call of the Senate for the vote on his amendment. The Sergeant at Arms was instructed to bring in the absent members.

H.F. No. 779 was then progressed.

SPECIAL ORDER

H.F. No. 863: 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.

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 50 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Diessner	Laidig	Olson	Renneke
Belanger	Frank	Langseth	Pehler	Samuelson
Benson	Frederick	Lessard	Peterson, C.C.	Schmitz
Berglin	Frederickson	Luther	Peterson, D.C.	Spear
Bernhagen	Freeman	McQuaid	Peterson, D.L.	Storm
Bertram	Isackson	Mehrkins	Petty	Stumpf
Dahl	Johnson, D.J.	Moe, D. M.	Pogemiller	Taylor
Davis	Jude	Moe, R. D.	Purfeerst	Vega
DeCramer	Knutson	Nelson	Ramstad	Waldorf
Dicklich	Kronebusch	Novak	Reichgott	Willet

Mrs. Lantry voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 921: A bill for an act relating to consumer protection; regulating prepayments of certain funeral and burial goods and services; amending Minnesota Statutes 1984, section 149.11.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 399: A bill for an act relating to education; requiring exchange or compensation to the permanent school fund for land in state parks and way-sides; requiring an inventory of other permanent school fund lands; stating the goal of the permanent school fund; proposing coding for new law in Minnesota Statutes, chapters 92 and 120.

Mr. Pehler moved to amend H.F. No. 399, as amended pursuant to Rule 49, adopted by the Senate April 24, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 377.)

Amend the title as follows:

Page 1, line 2, delete "or" and insert "of"

Page 1, line 3, delete "compensation to the" and delete "for"

The motion prevailed. So the amendment was adopted.

H.F. No. 399 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

SPECIAL ORDER

H.F. No. 507: A bill for an act relating to Hennepin county; setting the form in which county board members' salaries must be stated; amending Laws 1982, chapter 577, section 14.

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 39 and nays 13, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Kamrath	Novak	Schmitz
Anderson	Frederick	Knaak	Olson	Storm
Belanger	Frederickson	Knutson	Pehler	Stumpf
Bernhagen	Freeman	Kronebusch	Peterson, D.L.	Taylor
Bertram	Hughes	Laidig	Peterson, R.W.	Vega
Chmielewski	Isackson	Lessard	Ramstad	Waldorf
Dahl	Johnson, D.E.	McQuaid	Reichgott	Wegscheid
Diessner	Jude	Mehrkens	Renneke	

Those who voted in the negative were:

Davis	Lantry	Nelson	Pogemiller	Willet
DeCramer	Luther	Peterson, C.C.	Samuelson	
Kroening	Moe, R. D.	Peterson, D.C.	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1404: A bill for an act relating to Dakota county; permitting electronic funds transfers.

Mr. Wegscheid moved to amend S.F. No. 1404 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 385.07, is amended to read:

385.07 [FUNDS, WHERE DEPOSITED OR INVESTED.]

All county funds shall be deposited promptly and intact by the county treasurer in the name of the county or invested as provided in sections 471.56 and 475.66. Interest and profits which accrue from such investment shall, when collected, be credited to the general revenue fund of the county. ~~Where the county is authorized by law to make investments, persons designated by the board may, in accordance with rules and procedures established by the board, make electronic or wire transfers of funds, notwithstanding any other law to the contrary.~~

Sec. 2. [385.071] [ELECTRONIC FUNDS TRANSFER.]

Electronic funds transfer is the process of value exchange via mechanical means without the use of checks, drafts, or similar negotiable instruments. Notwithstanding any other law to the contrary, a county may make electronic funds transfers for investment purposes and for all county expenditures. The county board shall establish policies and procedures for investment and expenditure transactions via electronic funds transfer."

Delete the title and insert:

"A bill for an act relating to local government; expanding the authority of counties to make electronic funds transfers; amending Minnesota Statutes 1984, section 385.07; and proposing coding for new law in Minnesota Statutes, chapter 385."

The motion prevailed. So the amendment was adopted.

S.F. No. 1404 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

SPECIAL ORDER

S.F. No. 1291: A bill for an act relating to the town of Harmony; allocating money from state transfer funds to replace bridge.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to:

SPECIAL ORDER

H.F. No. 1570: A bill for an act relating to agriculture; creating an exception to the corporate farming law; amending Minnesota Statutes 1984, section 500.24, subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1411: A bill for an act relating to local government; permitting a home rule or statutory city to contribute to a community seed capital fund; proposing coding for new law in Minnesota Statutes, chapter 465.

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 30 and nays 23, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Langseth	Peterson, D.C.	Spear
Benson	Dicklich	Lessard	Pogemiller	Stumpf
Bertram	Freeman	Luther	Reichgott	Vega
Chmielewski	Hughes	Moe, D. M.	Samuelson	Waldorf
Dahl	Johnson, D.J.	Pehler	Schmitz	Wegscheid
Davis	Kroening	Peterson, C.C.	Solon	Willet

Those who voted in the negative were:

Anderson	Diessner	Johnson, D.E.	Lantry	Renneke
Belanger	Frank	Kamrath	McQuaid	Storm
Berg	Frederick	Knaak	Mehrkens	Taylor
Bernhagen	Frederickson	Kronebusch	Peterson, D.L.	
Brataas	Isackson	Laidig	Peterson, R.W.	

So the bill failed to pass.

RECESS

Mr. Hughes moved that the Senate do now recess until 1:45 p.m. The motion prevailed.

The hour of 1:45 p.m. having arrived, the President called the Senate to order.

SPECIAL ORDER

S.F. No. 1358: A bill for an act relating to local government; providing for the maintenance of town cartways; amending Minnesota Statutes 1984, section 164.08, by adding a subdivision.

Mr. Frederickson moved to amend S.F. No. 1358 as follows:

Page 1, lines 10, 11, 14, 15, 22; 23, and 25, before "*property*" insert "*private*"

Page 1, line 23, after the period, insert "*The town board's decision may be appealed within 30 days to the county court of the county in which the cartway is located.*"

Page 1, line 24, before "*Property*" insert "*Private*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1358 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 39 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frank	Knutson	Peterson, D.C.	Spear
Belanger	Frederickson	Lantry	Peterson, D.L.	Storm
Benson	Freeman	Lessard	Peterson, R.W.	Stumpf
Berg	Hughes	Luther	Pogemiller	Taylor
Bernhagen	Isackson	Mehrkens	Purfeerst	Waldorf
Chmielewski	Jude	Moe, R. D.	Reichgott	Wegscheid
Davis	Kamrath	Pehler	Schmitz	Willet
DeCramer	Knaak	Peterson, C.C.	Sieloff	

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

SPECIAL ORDER

S.F. No. 863: A bill for an act relating to commerce; modifying the definition of credit card to include other types of instruments; prescribing criminal penalties for financial transaction card fraud; amending Minnesota Statutes 1984, sections 325G.02, subdivisions 2 and 4; 325G.03; 325G.04;

325G.041; 325G.05; 609.52, subdivisions 1 and 2; and 609.625, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609.

Ms. Reichgott moved to amend S.F. No. 863 as follows:

Page 1, lines 22 and 23, delete "*on credit*"

Page 5, line 24, delete "*on credit*"

The motion prevailed. So the amendment was adopted.

Mr. Benson moved to amend S.F. No. 863 as follows:

Page 2, line 12, after the period insert "*Signing or using a card is not acceptance if those acts were performed under duress as defined under section 609.08.*"

The motion prevailed. So the amendment was adopted.

S.F. No. 863 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

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

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

SPECIAL ORDER

S.F. No. 1308: A bill for an act relating to Olmsted county; providing for sales, leases, and conveyances; providing certain exceptions to public bidding requirements.

Mr. Benson moved to amend S.F. No. 1308 as follows:

Page 2, after line 36, insert:

"Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

The motion prevailed. So the amendment was adopted.

S.F. No. 1308 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 56 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Peterson, R.W. voted in the negative.

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

SPECIAL ORDER

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.

Mr. Renneke moved to amend S.F. No. 1208, as follows:

Page 2, line 12, delete "[LOCAL APPROVAL.]" and insert "[EFFECTIVE DATE.]"

The motion prevailed. So the amendment was adopted.

S.F. No. 1208 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

SPECIAL ORDER

S.F. No. 615: A bill for an act relating to Lake of the Woods county; authorizing the issuance of bonds for the construction of jetties and related public improvements; and authorizing the levy of special assessments.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Kroening voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

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; appropriating money; 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; 240.14, subdivision 1; 240.15, subdivisions 5 and 6; 240.16, subdivisions 1 and 6; 240.18; 240.22; 240.24; 240.25, subdivisions 1 and 4; 240.29; 541.20; and 541.21; repealing Minnesota Statutes 1984, section 624.02.

Mr. Benson moved to amend S.F. No. 1249 as follows:

Page 8, after line 32, insert:

“Sec. 15. [240.145] [QUARTER HORSE RACES.]

Subdivision 1. [ASSIGNMENTS.] The commission shall assign a minimum of 30 days of quarter horse races each year to each class A licensee. Assignments of quarter horse races must be made by July 1, 1986, except that these races may be assigned after that date to a licensee whose license is issued after that date. Each class A licensee must declare and schedule the number of quarter horse races assigned by the commission.

Subd. 2. [HEARING.] The commission shall hold a public hearing before it:

(1) makes an assignment of quarter horse races;

(2) revises the assignment during the year; or

(3) assigns quarter horse races to a licensee whose license is issued after the initial assignment.

Subd. 3. [PENALTY.] The commission shall revoke a class A license for failure on the part of the licensee to declare and schedule the number of

quarter horse races assigned by the commission."

Page 14, line 19, delete "27" and insert "28"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the first semicolon, insert "requiring assignment of quarter horse racing days;"

Page 1, line 14, before "repealing" insert "proposing coding for new law in Minnesota Statutes, chapter 240;"

CALL OF THE SENATE

Mr. Purfeerst imposed a call of the Senate for the proceedings of S.F. No. 1249. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Benson amendment.

The roll was called, and there were yeas 28 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Johnson, D.E.	Kronebusch	Sieloff
Benson	Dicklich	Jude	Laidig	Storm
Berg	Diessner	Kamrath	McQuaid	Taylor
Bernhagen	Frederickson	Knaak	Pehler	Waldorf
Bertram	Gustafson	Knutson	Ramstad	
Brataas	Isackson	Kroening	Renneke	

Those who voted in the negative were:

Adkins	Frank	Mehrkens	Peterson, D.L.	Solon
Belanger	Freeman	Moe, D. M.	Peterson, R. W.	Spear
Berglin	Hughes	Moe, R. D.	Pogemiller	Stumpf
Dahl	Langseth	Novak	Purfeerst	Vega
Davis	Lantry	Olson	Reichgott	Wegscheid
DeCramer	Lessard	Peterson, C.C.	Samuelson	Willett
Dieterich	Luther	Peterson, D.C.	Schmitz	

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

S.F. No. 1249 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 825: A bill for an act relating to the city of Crystal; regulating the holding of public offices by council members; providing for the adoption of emergency ordinances.

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 52 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	Novak	Spear
Anderson	DeCramer	Johnson, D.J.	Pehler	Storm
Belanger	Dicklich	Jude	Peterson, C.C.	Stumpf
Benson	Diessner	Kamrath	Peterson, D.L.	Taylor
Berg	Dieterich	Knutson	Peterson, R.W.	Vega
Berglin	Frank	Kroening	Pogemiller	Waldorf
Bernhagen	Frederick	Laidig	Ramstad	Wegscheid
Bertram	Frederickson	Lantry	Reichgott	Willet
Brataas	Gustafson	Luther	Renneke	
Chmielewski	Hughes	McQuaid	Samuelson	
Dahl	Isackson	Mehrkens	Sieloff	

Ms. Olson voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1220: A bill for an act relating to the city of Wadena; permitting the establishment of a port authority.

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 52 and nays 11, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Kronebusch	Olson	Schmitz
Anderson	Frederick	Laidig	Pehler	Sieloff
Belanger	Frederickson	Langseth	Peterson, C.C.	Solon
Bernhagen	Freeman	Lantry	Peterson, D.C.	Storm
Bertram	Gustafson	Lessard	Peterson, D.L.	Stumpf
Brataas	Hughes	Luther	Pogemiller	Vega
Chmielewski	Isackson	McQuaid	Purfeerst	Wegscheid
Dahl	Johnson, D.E.	Mehrkens	Ramstad	Willet
Davis	Jude	Moe, D. M.	Reichgott	
Dicklich	Kamrath	Moe, R. D.	Renneke	
Diessner	Knutson	Novak	Samuelson	

Those who voted in the negative were:

Benson	DeCramer	Knaak	Merriam	Spear
Berg	Dieterich	Kroening	Peterson, R.W.	Waldorf
Berglin				

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 616: A bill for an act relating to the city of Warroad; permitting

the establishment of a port authority.

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 50 and nays 9, as follows:

Those who voted in the affirmative were:

Adkins	Frederick	Kronebusch	Novak	Renneke
Anderson	Frederickson	Laidig	Olson	Samuelson
Belanger	Freeman	Langseth	Pehler	Schmitz
Bernhagen	Gustafson	Lantry	Peterson, C. C.	Sieloff
Bertram	Hughes	Lessard	Peterson, D. C.	Storm
Chmielewski	Isackson	Luther	Peterson, D. L.	Stumpf
Dahl	Johnson, D. E.	McQuaid	Pogemiller	Vega
Davis	Johnson, D. J.	Mehrkens	Purfeerst	Waldorf
Diessner	Jude	Moe, D. M.	Ramstad	Wegscheid
Frank	Knutson	Moe, R. D.	Reichgott	Willet

Those who voted in the negative were:

Benson	Berglin	Knaak	Merriam	Spear
Berg	DeCramer	Kroening	Peterson, R. W.	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 904: 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.

Mr. Wegscheid moved to amend S.F. No. 904 as follows:

Page 1, line 14, after "*Red Wing*" insert "*and the city of Hastings*"

Page 1, line 16, after "3," insert "*each*"

Page 1, line 23, delete "*the*" and insert "*a*"

Page 1, line 24, delete the first "*the*" and insert "*that*"

Page 2, line 21, after "*city*" delete "*of*"

Page 2, line 22, delete "*Red Wing*"

Page 3, line 25, after "*Wing*" insert "*or the city of Hastings*"

Page 4, line 20, after "*effective*" insert "*for the city of Red Wing*"

Page 4, after line 22, insert:

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

Amend the title as follows:

Page 1, line 2, delete "*the city of Red Wing*" and insert "*local govern-*

ment"

Page 1, line 2, delete "city" and insert "cities"

Page 1, line 3, after "Red Wing" insert "and Hastings"

Page 1, line 4, delete the first "the" and insert "each"

Page 1, line 6, delete "city" and insert "cities"

Page 1, line 8, delete the first "the" and insert "each"

The motion prevailed. So the amendment was adopted.

S.F. No. 904 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 45 and nays 10, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kamrath	McQuaid	Pogemiller
Anderson	Frank	Knaak	Mehrkens	Ramstad
Belanger	Frederick	Knutson	Moe, D. M.	Reichgott
Bernhagen	Freeman	Kronebusch	Novak	Renneke
Bertram	Hughes	Laidig	Olson	Schmitz
Brataas	Isackson	Langseth	Pehler	Storm
Chmielewski	Johnson, D.E.	Lantry	Peterson, C.C.	Vega
Dahl	Johnson, D.J.	Lessard	Peterson, D.C.	Wegscheid
Davis	Jude	Luther	Peterson, D.L.	Willet

Those who voted in the negative were:

Benson	Berglin	Dieterich	Merriam	Spear
Berg	DeCramer	Kroening	Peterson, R.W.	Waldorf

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

SPECIAL ORDER

S.F. No. 1447: A bill for an act relating to the city of Breckenridge; permitting the establishment of a port authority; authorizing the port authority to exercise the powers of a municipal housing and redevelopment authority.

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 10, as follows:

Those who voted in the affirmative were:

Adkins	Frederick	Knutson	Mehrkens	Ramstad
Anderson	Freeman	Kronebusch	Moe, D. M.	Reichgott
Belanger	Hughes	Laidig	Nelson	Renneke
Bernhagen	Isackson	Langseth	Novak	Schmitz
Bertram	Johnson, D.E.	Lantry	Pehler	Solon
Dahl	Johnson, D.J.	Lessard	Peterson, C.C.	Vega
Davis	Jude	Luther	Peterson, D.C.	Wegscheid
Frank	Kamrath	McQuaid	Peterson, D.L.	Willet

Those who voted in the negative were:

Benson
Berg

Berglin
DeCramer

Knaak
Kroening

Merriam
Peterson, R.W.

Spear
Waldorf

So the bill passed and its title was agreed to.

SPECIAL ORDER

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.

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 42 and nays 11, as follows:

Those who voted in the affirmative were:

Adkins	Freeman	Langseth	Pehler	Sieloff
Andersen	Hughes	Lantry	Peterson, C.C.	Solon
Belanger	Isackson	Lessard	Peterson, D.C.	Stumpf
Bernhagen	Johnson, D.J.	Luther	Peterson, D.L.	Vega
Bertram	Jude	McQuaid	Pogemiller	Wegscheid
Davis	Kamrath	Mehrkens	Ramstad	Willet
Diessner	Knutson	Nelson	Reichgott	
Frank	Kronebusch	Novak	Renneke	
Frederick	Laidig	Olson	Schmitz	

Those who voted in the negative were:

Benson	DeCramer	Kroening	Moe, D.M.	Spear
Berg	Knaak	Merriam	Peterson, R.W.	Waldorf
Berglin				

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1398: A bill for an act relating to deposit and investment of public funds; modifying the collateral requirements for public deposits; amending Minnesota Statutes 1984, sections 118.005, subdivision 1; 118.01; 475.66, subdivision 1; and 475.76, subdivision 1.

Mr. Wegscheid moved to amend S.F. No. 1398 as follows:

Page 3, line 9, delete "*may sell*"

Page 3, line 10, delete "*authorize*" and strike "*to*" and insert "*may*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1398 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Jude	McQuaid	Schmitz
Anderson	DeCramer	Kamrath	Merriam	Sieloff
Belanger	Dicklich	Knaak	Moe, R.D.	Spear
Benson	Dieterich	Knutson	Nelson	Storm
Berg	Frank	Kroening	Novak	Stumpf
Berglin	Frederick	Kronebusch	Olson	Taylor
Bernhagen	Frederickson	Laidig	Pehler	Wegscheid
Bertram	Freeman	Langseth	Peterson, D.C.	Willet
Brataas	Gustafson	Lantry	Peterson, D.L.	
Chmielewski	Isackson	Lessard	Peterson, R.W.	
Dahl	Johnson, D.E.	Luther	Pogemiller	

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

SPECIAL ORDER

H.F. No. 1226: A bill for an act relating to local government; permitting land transfer between Ramsey county and town of White Bear.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1152: A bill for an act relating to Winona county; authorizing the sale of certain property.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

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.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 48 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Moe, D.M.	Schmitz
Anderson	Dicklich	Knutson	Moe, R.D.	Sieloff
Belanger	Dieterich	Kroening	Pehler	Spear
Benson	Frank	Kronebusch	Peterson, C.C.	Storm
Berglin	Freeman	Laidig	Peterson, D.C.	Stumpf
Bernhagen	Hughes	Langseth	Peterson, R.W.	Waldorf
Bertram	Isackson	Lantry	Pogemiller	Wegscheid
Chmielewski	Johnson, D.E.	Luther	Purfeerst	Willet
Dahl	Jude	McQuaid	Ramstad	
Davis	Kamrath	Merriam	Reichgott	

Mr. Berg voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1087: A bill for an act relating to drainage; authorizing the construction of roads rather than bridges or culverts in certain instances; amending Minnesota Statutes 1984, section 106.471, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 106.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 446: A bill for an act relating to real estate; providing conditions for certain transportation department land sales; providing conditions for certain county land sales; amending Minnesota Statutes 1984, sections

161.23, subdivision 2, and by adding subdivisions; and 373.01, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Jude	Mehrkens	Reichgott
Anderson	DeCramer	Kamrath	Merriam	Schmitz
Belanger	Dicklich	Knaak	Moe, D.M.	Sieloff
Benson	Dieterich	Knutson	Moe, R.D.	Spear
Berg	Frank	Kroening	Pehler	Storm
Berglin	Frederick	Kronebusch	Peterson, C.C.	Stumpf
Bernhagen	Freeman	Langseth	Peterson, D.C.	Vega
Bertram	Gustafson	Lantry	Peterson, R.W.	Waldorf
Brataas	Hughes	Lessard	Pogemiller	Wegscheid
Chmielewski	Isackson	Luther	Purfeerst	Willett
Dahl	Johnson, D.E.	McQuaid	Ramstad	

So the bill passed and its title was agreed to.

SPECIAL ORDER

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.

Mr. Peterson, R.W. moved to amend S.F. No. 1234 as follows:

Page 1, line 18, delete "*only on any days of the week*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1234 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Merriam	Sieloff
Anderson	Dicklich	Knaak	Moe, R.D.	Spear
Belanger	Diessner	Knutson	Olson	Storm
Benson	Dieterich	Kroening	Pehler	Stumpf
Berg	Frank	Kronebusch	Peterson, C.C.	Taylor
Berglin	Frederickson	Laidig	Peterson, D.C.	Vega
Bernhagen	Freeman	Langseth	Peterson, R.W.	Waldorf
Bertram	Hughes	Lantry	Pogemiller	Wegscheid
Brataas	Isackson	Lessard	Ramstad	Willett
Chmielewski	Johnson, D.E.	Luther	Reichgott	
Dahl	Jude	McQuaid	Schmitz	

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

SPECIAL ORDER

H.F. No. 245: A bill for an act relating to crimes; clarifying elements of the crime of depriving another of custodial or parental rights; amending Minne-

sota Statutes 1984, section 609.26, subdivisions 1 and 2.

Ms. Berglin moved to amend H.F. No. 245, as amended pursuant to Rule 49, adopted by the Senate April 11, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 802.)

Page 2, after line 29, insert:

“Sec. 3. [STUDY REQUIRED.]

The state planning agency shall study and report to the legislature with a plan to assure that comprehensive prenatal care is available to all pregnant women. In preparing this report, the agency shall consult with consumers, health care providers, and other interested persons. The agency shall report to the legislature by October 1, 1985.”

Page 2, line 30, delete “3” and insert “4”

Amend the title as follows:

Page 1, line 2, delete “crimes” and insert “children”

Page 1, line 3, after the semicolon, insert “requiring a study and a plan to provide comprehensive prenatal care;”

The motion prevailed. So the amendment was adopted.

H.F. No. 245 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

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

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

SPECIAL ORDER

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, subdivisions 3 and 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 315: 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.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1113: A bill for an act relating to state lands; authorizing conveyance by commissioner of transportation of certain state lands for historical preservation purposes.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1190: A bill for an act relating to housing; providing for local and regional review and comment on housing programs; extending interest reduction program; ratifying the Minneapolis/St. Paul housing finance board established under a joint powers agreement; clarifying tax status of public housing property managed by the Minneapolis community development agency; amending Minnesota Statutes 1984, sections 462C.02, by adding subdivisions; 462C.03, subdivision 1, and by adding a subdivision; 462C.04, subdivision 2; 462C.09, subdivisions 2a and 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 462C; repealing Minnesota Statutes 1984, sections 462.445, subdivision 13; and 462C.09, subdivision 2.

Mr. Pehler moved to amend S.F. No. 1190 as follows:

Page 11, line 24, after "11." insert "[272.026]" and delete "MINNEAPOLIS"

Page 11, line 25, delete "COMMUNITY DEVELOPMENT" and insert "A HOUSING REDEVELOPMENT AUTHORITY OR PUBLIC HOUSING"

Page 11, line 27, delete "*the Minneapolis community*"

Page 11, line 28, delete "*development*" and insert "*a housing redevelopment authority or public housing*"

Page 11, lines 29 and 35, delete "*Minnesota Statutes,*"

Page 11, line 30, after "*the*" insert "*authority or*"

Page 11, line 32, after "*the*" insert "*authority or*"

Page 12, line 1, delete "*Minnesota Statutes,*"

Amend the title as follows:

Page 1, line 7, delete "the Minneapolis"

Page 1, line 8, delete "community development" and insert "a housing redevelopment authority or public housing"

Page 1, line 14, delete "chapter" and insert "chapters 272 and"

The motion prevailed. So the amendment was adopted.

S.F. No. 1190 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

SPECIAL ORDER

S.F. No. 86: A bill for an act relating to agriculture; changing requirements for certain adulterated milk or cream; providing a penalty; amending Minnesota Statutes 1984, section 32.21.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 944: A bill for an act relating to education; authorizing the sale of computers and related products by the state university board, state board for community colleges, and state board of vocational technical education; requiring contracts with private vendors for service, maintenance, and support; amending Minnesota Statutes 1984, sections 136.24; and 136C.04, by adding a subdivision; proposing coding for new law in Minnesota Statutes 1984, chapter 136.

Mr. Kamrath moved to amend S.F. No. 944 as follows:

Page 1, line 25, delete "a" and delete "vendor" and insert "vendors, in areas in which state universities are located,"

Page 2, line 4, delete "a" and delete "vendor" and insert "vendors, in areas in which community colleges are located,"

Page 2, line 12, delete "a" and delete "vendor" and insert "vendors, in areas in which area vocational technical institutes are located,"

Amend the title as follows:

Page 1, line 6, after "vendors" insert ", in the areas of the institutions,"

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

S.F. No. 944 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 468: A bill for an act relating to state departments and agencies; clarifying the duties of the state demographer; amending Minnesota Statutes 1984, sections 275.14; 368.01, subdivision 1a; and 368.015.

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 42 and nays 14, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kronebusch	Novak	Storm
Anderson	Diessner	Langseth	Peterson, D.C.	Stumpf
Benson	Frederickson	Lantry	Peterson, D.L.	Vega
Berglin	Freeman	Lessard	Peterson, R.W.	Waldorf
Bernhagen	Hughes	Luther	Pogemiller	Wegscheid
Brataas	Johnson, D.J.	Merriam	Reichgott	Williet
Chmielewski	Jude	Moe, D.M.	Renneke	
Dahl	Kamrath	Moe, R.D.	Solon	
DeCramer	Knaak	Nelson	Spear	

Those who voted in the negative were:

Bertram
Dieterich
Frank

Frederick
Isackson
Knutson

McQuaid
Olson
Peterson, C.C.

Purfeerst
Ramstad
Schmitz

Sieloff
Taylor

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1193: A bill for an act relating to corrections; updating the recordkeeping systems of jails and lockups; amending Minnesota Statutes 1984, sections 641.05; and 642.07.

Ms. Berglin moved to amend the amendment placed on H.F. No. 1193 by the Committee on Health and Human Services, adopted by the Senate April 18, 1985, as follows:

Section 1, subdivision 1, fourth line, delete "shall" and insert "may, within the limits of available money,"

Subdivision 2, first paragraph, after "providing" insert "within the limits of available money,"

The motion prevailed. So the amendment was adopted.

H.F. No. 1193 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

SPECIAL ORDER

H.F. No. 602: A bill for an act relating to alcoholic beverages; allowing certain extensions of credit; amending Minnesota Statutes 1984, sections 340.031, subdivision 2; and 340.405.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Knutson voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 698: A bill for an act relating to intoxicating liquor; authorizing the city of North Mankato to issue one short-term, on-sale liquor license.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 580: A bill for an act relating to economic development; providing for the election of certain community development corporation directors; amending Minnesota Statutes 1984, section 116M.04, subdivision 6.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 658: A bill for an act relating to wild animals; altering certain provisions regarding taking and possession, and penalties related thereto; amending Minnesota Statutes 1984, sections 97.55, subdivision 16; 98.46, subdivision 5; 98.52, by adding a subdivision; and 100.29, subdivision 8; repealing Minnesota Statutes 1984, section 97.55, subdivision 4.

Mr. Willet moved to amend S.F. No. 658 as follows:

Page 3, after line 5, insert:

"Sec. 4. Minnesota Statutes 1984, section 100.273, subdivision 6, is amended to read:

Subd. 6. No person shall erect "no hunting", "no trapping", "no fishing", "no trespassing", or other signs prohibiting trespass upon any lands or waters in which he has no right, title, interests, or license. The owner, occupant, or lessee of any private land, or a duly constituted legal authority of public land, may erect signs prohibiting trespassing, hunting, trapping, or fishing if the signs bear letters not less than two inches high, are signed by the owner, occupant, or lessee, and are posted at intervals of not more than 1000 feet upon the boundaries of the area so protected, *or in a wooded area where boundary lines are not clear, at intervals of not more than 500 feet.*

Sec. 5. Minnesota Statutes 1984, section 100.273, subdivision 9, is amended to read:

Subd. 9. (a) Violation of any provision of this section is a misdemeanor, *except as provided in paragraph (b).*

(b) *A person is guilty of a gross misdemeanor who: (1) knowingly disregards signs prohibiting trespass, (2) trespasses after personally being notified by the landowner or lessee not to trespass, or (3) is convicted of violating this section more than once in a three-year period.*

(c) Upon a person's conviction for violating any provision of this section, any license issued to him pursuant to chapter 98, or any registration pursuant to section 84.82, under which he was exercising or attempting to exercise a privilege while violating this section shall immediately become null and void.

(d) *A person convicted of a gross misdemeanor under paragraph (b) may not be issued a license to hunt or trap any wild animal for two years after the*

conviction."

Page 3, line 23, delete "4" and insert "6"

Page 3, line 24, delete "5" and insert "7"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the first semicolon insert "100.273, subdivisions 6 and 9;"

Mr. Knaak questioned whether the amendment was germane.

The President ruled that the amendment was germane.

S.F. No. 658 was then progressed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Stumpf moved that H.F. No. 1216 be taken from the table. The motion prevailed.

H.F. No. 1216: 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.

Mr. Stumpf moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1216, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

RECONSIDERATION

Mr. Frederick moved that the vote whereby S.F. No. 1411 failed to pass the Senate on April 25, 1985, be now reconsidered. The motion prevailed.

Mr. Moe, R.D. moved that S.F. No. 1411 be laid on the table. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Isackson; Bernhagen; Mehrkens; Peterson, D.L. and Frederickson introduced—

S.F. No. 1507: A resolution memorializing the President and Congress of the United States to eliminate the adverse effect on agriculture of the cargo preference law.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Pehler, Purfeerst, Nelson and Taylor introduced—

S.F. No. 1508: A bill for an act relating to education; declaring the mission

of public elementary and secondary education in Minnesota; proposing coding for new law in Minnesota Statutes, chapter 120.

Referred to the Committee on Education.

Mrs. Lantry introduced—

S.F. No. 1509: A bill for an act relating to health; creating a public corporation to provide health care services and research; providing that subsidiaries govern St. Paul Ramsey Medical Center and a physicians and dentists association; proposing coding for new law in Minnesota Statutes, chapter 246A; repealing Minnesota Statutes 1984, section 383A.41.

Referred to the Committee on Local and Urban Government.

Messrs. Luther; Johnson, D.J.; Solon; Diessner and Freeman introduced—

S.F. No. 1510: A bill for an act relating to economic development; creating a special enterprise zone for a large manufacturing facility; providing for the taxation of the facility; authorizing the issuance of bonds; providing assistance to locate a large manufacturing facility in the state; appropriating money; amending Minnesota Statutes 1984, sections 273.1312, subdivisions 3 and 4; and 273.1314, subdivisions 3, 4, 6, 7, 8, 9, and by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

MEMBERS EXCUSED

Mr. Dieterich was excused from the Session of today from 12:00 noon to 2:45 p.m. Mr. Frederick was excused from the Session of today from 12:00 noon to 1:00 p.m. Ms. Berglin was excused from the Session of today from 1:00 to 2:00 p.m. Mr. Merriam was excused from the Session of today from 12:00 noon to 3:15 p.m. Messrs. Johnson, D.J. and Solon were excused from the Session of today from 1:45 to 2:45 p.m. and from 3:40 to 4:40 p.m. Mr. Waldorf was excused from the Session of today from 5:00 to 6:00 p.m.

The following members were excused from today's Session for brief periods of time: Messrs. Bertram, Dahl, DeCramer, Ms. Olson, Messrs. Belanger and Ramstad.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Friday, April 26, 1985. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate