

## FORTY-SIXTH DAY

St. Paul, Minnesota, Friday, April 26, 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, Colonel Jim Lauer.

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

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

The President declared a quorum present.

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

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 264, 889 and 634.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 25, 1985

### FIRST READING OF HOUSE BILLS

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

H.F. No. 264: A bill for an act relating to animals; providing for a rabies

control program; imposing criminal liability on persons who cause the death or substantial bodily harm of another by permitting certain dogs to be unconfined or improperly confined; providing for the destruction of dangerous animals; imposing penalties; amending Minnesota Statutes 1984, section 609.25; proposing coding for new law in Minnesota Statutes, chapters 346 and 609.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 348, now on General Orders.

H.F. No. 889: A bill for an act relating to local government; providing for the conduct of the business of towns; providing for certain town debt; authorizing certain towns to provide certain services; revising various other town laws; amending Minnesota Statutes 1984, sections 160.17, subdivision 1; 160.25, subdivision 3; 163.11, subdivision 5a, and by adding a subdivision; 164.06; 365.10; 365.37; 365.44; 366.095; 367.03, subdivision 2; 367.10; 367.23; 444.075; and 471.56, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 379; repealing Minnesota Statutes 1984, section 375.18, subdivisions 4, 5, and 6.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 639, now on General Orders.

H.F. No. 634: A bill for an act relating to elections; limiting the number of registration applicants for whom a person may vouch; amending Minnesota Statutes 1984, section 201.061, subdivision 3.

Referred to the Committee on Elections and Ethics.

## REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk, with the exception of the report on S.F. No. 1065, be now adopted. The motion prevailed.

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

S.F. No. 1065: A bill for an act relating to recreational vehicles; regulating three-wheel off-road vehicles; amending Minnesota Statutes 1984, sections 84.922, subdivisions 5 and 8, and by adding subdivisions; 84.927, subdivision 2; 84.928; 85.018; 100.273, subdivision 9; and 296.16, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 84.

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 84.92, is amended to read:

84.92 [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in this section apply to Laws 1984, chapter 647, sections 1 to 84.92 to 9 84.929.

*Subd. 1a. [ALL-TERRAIN VEHICLE.] "All-terrain vehicle" or "vehicle" means a motorized flotation-tired vehicle of not less than three low*

*pressure tires, but not more than six tires, that is limited in engine displacement of less than 800 cubic centimeters and total dry weight less than 600 pounds.*

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

Subd. 3. [DEALER.] "Dealer" means a person engaged in the business of selling ~~three-wheel off-road~~ *all-terrain* vehicles at wholesale or retail.

Subd. 4. [MANUFACTURER.] "Manufacturer" means a person engaged in the business of manufacturing ~~three-wheel off-road~~ *all-terrain* vehicles.

Subd. 5. [OWNER.] "Owner" means a person, other than a person with a security interest, having a property interest in or title to a ~~three-wheel off-road~~ *all-terrain* vehicle and entitled to the use and possession of the vehicle.

Subd. 6. [PERSON.] "Person" means an individual or an organization as defined in section 336.1-201, paragraph (30).

Subd. 7. [REGISTER.] "Register" means the act of assigning a registration number to a ~~three-wheel off-road~~ *all-terrain* vehicle.

Subd. 8. "~~Three-wheel off-road vehicle~~" or "~~vehicle~~" means a motorized flotation-tired vehicle of not less than three low pressure tires, but not more than six tires, that is limited in engine displacement of less than 800 cubic centimeters and total dry weight less than 600 pounds.

Sec. 2. Minnesota Statutes 1984, section 84.922, subdivision 1, is amended to read:

Subdivision 1. [GENERAL REQUIREMENTS.] Unless exempted in subdivision 8, after January 1, 1985, a person may not operate a ~~three-wheel off-road~~ *all-terrain* vehicle within the state unless the vehicle has been registered. After January 1, 1985, a person may not sell a vehicle without furnishing the buyer a bill of sale on a form prescribed by the commissioner.

Sec. 3. Minnesota Statutes 1984, section 84.922, subdivision 3, is amended to read:

Subd. 3. [REGISTRATION CARD.] The commissioner shall provide to the registrant a registration card that includes the registration number, the date of registration, the make and serial number of the vehicle, the owner's name and address, and additional information the commissioner may require. Information concerning each registration shall be retained by the commissioner. Upon a satisfactory showing that the registration card has been lost or destroyed the commissioner shall issue a replacement registration card upon payment of a fee of \$4. The fees collected from replacement registration cards shall be deposited in the ~~three-wheel off-road~~ *all-terrain* vehicle account.

Sec. 4. Minnesota Statutes 1984, section 84.922, subdivision 5, is amended to read:

Subd. 5. [FEES FOR REGISTRATION.] (a) The fee for registration of each vehicle under this section shall be \$15 for three calendar years. The commissioner or commissioner of public safety shall charge an additional \$3 per registration granted, other than those registered by a dealer or manufac-

turer under paragraph (b) or (c), is \$18 for three years and \$4 for a duplicate or transfer.

(b) The total registration fee for all-terrain vehicles owned by a dealer and operated for demonstration or testing purposes is \$50 per year. Dealer registrations are not transferable.

(c) The total registration fee for all-terrain vehicles owned by a manufacturer and operated for research, testing, experimentation, or demonstration purposes is \$150 per year. Manufacturer registrations are not transferable.

(d) The fees collected under this subdivision ~~shall~~ must be credited to the ~~three-wheel off-road~~ all-terrain vehicle account.

Sec. 5. Minnesota Statutes 1984, section 84.922, subdivision 6, is amended to read:

Subd. 6. [RENEWAL.] Every owner of a ~~three-wheel~~ all-terrain vehicle must renew registration in a manner prescribed by the commissioner upon payment of the registration fees in subdivision 5.

Sec. 6. Minnesota Statutes 1984, section 84.922, subdivision 7, is amended to read:

Subd. 7. [VEHICLES OWNED BY STATE OR POLITICAL SUBDIVISION.] A registration number must be issued without the payment of a fee for ~~three-wheel~~ all-terrain vehicles owned by the state or a political subdivision upon application.

Sec. 7. Minnesota Statutes 1984, section 84.922, subdivision 8, is amended to read:

Subd. 8. [EXEMPTIONS.] A registration is not required for the following:

- (1) vehicles being used for work on agricultural lands;
- (2) vehicles owned and used by the United States, another state, or a political subdivision;
- (3) vehicles covered by a valid license of another state or ~~county~~ country that have not been within this state for more than 30 consecutive days;
- (4) vehicles being used ~~exclusively~~ in organized track racing events; and
- (5) vehicles being used on private land with the permission of the landowner.

Sec. 8. Minnesota Statutes 1984, section 84.922, is amended by adding a subdivision to read:

Subd. 9. [LICENSING BY POLITICAL SUBDIVISIONS.] A political subdivision may not require licensing or registration of all-terrain vehicles covered by sections 84.92 to 84.929.

Sec. 9. Minnesota Statutes 1984, section 84.922, is amended by adding a subdivision to read:

Subd. 10. [REGISTRATION BY MINORS PROHIBITED.] A person under age 18 may not register an all-terrain vehicle.

Sec. 10. [84.924] [RULEMAKING; ACCIDENT REPORT.]

*Subdivision 1. [COMMISSIONER OF NATURAL RESOURCES.] The commissioner may adopt rules relating to all-terrain vehicles, including:*

- (1) registration of all-terrain vehicles and display of registration numbers;*
- (2) uses of all-terrain vehicles that affect game and fish resources;*
- (3) use of all-terrain vehicles on public lands and waters under the jurisdiction of the commissioner;*
- (4) uniform signs to be used by the state, counties, towns, and statutory and home rule charter cities to control, direct, or regulate the operation and use of all-terrain vehicles; and*
- (5) specifications relating to all-terrain vehicle mufflers.*

*Subd. 2. [COMMISSIONER OF PUBLIC SAFETY.] The commissioner of public safety may adopt rules regulating the use of all-terrain vehicles on streets and highways under section 84.928.*

Sec. 11. Minnesota Statutes 1984, section 84.925, is amended to read:

**84.925 [EDUCATION AND TRAINING PROGRAM.]**

Subdivision 1. [PROGRAM ESTABLISHED.] The commissioner shall establish a comprehensive ~~three-wheel off-road~~ all-terrain vehicle environmental and safety education and training program, including the preparation and dissemination of vehicle information and safety advice to the public, the training of ~~three-wheel off-road~~ all-terrain vehicle operators, and the issuance of ~~three-wheel off-road~~ all-terrain vehicle safety certificates to vehicle operators over the age of 12 years who successfully complete the ~~three-wheel off-road~~ all-terrain vehicle environmental and safety education and training course. For the purpose of administering the program and to defray a portion of the expenses of training and certifying vehicle operators, the commissioner shall collect a fee of not to exceed \$5 from each person who receives the training and shall deposit the fee in the ~~three-wheel off-road~~ all-terrain vehicle account. The commissioner shall cooperate with private organizations and associations, private and public corporations, and local governmental units in furtherance of the program established under this section. The commissioner shall consult with the commissioner of public safety in regard to training program subject matter and performance testing that leads to the certification of vehicle operators.

Subd. 2. [YOUTHFUL OPERATORS.] (a) A person under the age of 14 years may not operate a ~~three-wheel off-road~~ an all-terrain vehicle on any public land or water under the jurisdiction of the commissioner unless accompanied by an adult on the vehicle or on an accompanying ~~three-wheel off-road~~ vehicle or on a device towed by the same or an accompanying ~~three-wheel off-road~~ vehicle. ~~However,~~ A person age 12 years of age or older may operate a ~~three-wheel off-road~~ vehicle on public lands and waters under the jurisdiction of the commissioner ~~without an accompanying adult if he has in his immediate possession the person is carrying a valid~~ ~~three-wheel off-road~~ all-terrain vehicle safety certificate issued by the commissioner.

(b) It is unlawful for the owner of a ~~three-wheel off-road~~ an all-terrain vehicle to allow the vehicle to be operated contrary to the provisions of this section.

## Sec. 12. [84.9254] [SIGNAL FROM OFFICER TO STOP.]

*An all-terrain vehicle operator, after receiving a visual or audible signal to stop from a peace officer as defined in section 626.84, subdivision 1, paragraph (c), may not:*

*(1) operate an all-terrain vehicle in willful or wanton disregard of the signal to stop;*

*(2) interfere with or endanger the peace officer or any other person or vehicle; or*

*(3) increase speed or attempt to flee from the officer.*

## Sec. 13. [84.9256] [YOUTHFUL OPERATORS; PROHIBITIONS.]

*Subdivision 1. [PROHIBITIONS ON YOUTHFUL OPERATORS.] (a) Notwithstanding section 84.928, a person under age 12 may not cross a trunk, county state-aid, or county highway as the operator of an all-terrain vehicle, or operate the vehicle upon a street or highway within a municipality.*

*(b) A person at least age 12 but under age 14 may cross a trunk, county state-aid, or county highway only if the person possesses a valid all-terrain vehicle safety certificate and is accompanied by a person over age 18. A person at least age 14, but under age 16, may cross a trunk, county state-aid, or county highway only if the person possesses an all-terrain vehicle safety certificate or a motor vehicle operator's license.*

*(c) A person under age 12, or a person under age 14 who does not possess an all-terrain vehicle safety certificate may not operate an all-terrain vehicle on public land or water under the jurisdiction of the commissioner, unless the person's parent or legal guardian, or a person age 18 or older accompanies the person on the same vehicle, if the vehicle is designed for more than one person, or on another all-terrain vehicle.*

*Subd. 2. [HELMET REQUIRED.] A person under age 14 may not operate an all-terrain vehicle on public land unless the person wears a safety helmet approved by the commissioner of public safety.*

*Subd. 3. [PROHIBITIONS ON OWNER.] An owner of an all-terrain vehicle may not allow the vehicle to be operated contrary to this section.*

Sec. 14. Minnesota Statutes 1984, section 84.927, is amended to read:

## 84.927 [REGISTRATION FEES; UNREFUNDED GASOLINE TAX; ALLOCATION.]

*Subdivision 1. [REGISTRATION REVENUE.] Fees from the registration of ~~three-wheel off-road~~ all-terrain vehicles and the unrefunded gasoline tax attributable to all-terrain vehicle use under section 296.16 shall be deposited in the state treasury and credited to the ~~three-wheel off-road all-terrain vehicle~~ account.*

*Subd. 2. [PURPOSES.] ~~Subject to appropriation by the legislature,~~ (a) Money in the ~~three-wheel off-road~~ all-terrain vehicle account may only be spent for the following purposes:*

*(1) the education and training program under section 84.925;*

(2) administration and implementation of Laws 1984, chapter 647, sections 1 84.92 to 10; and 84.929;

(3) acquisition, maintenance, and development of vehicle trails and use areas;

(4) grant programs to counties and municipalities to construct and maintain all-terrain vehicle trails and use areas; and

(5) grants to local all-terrain vehicle safety programs.

(b) The distribution of funds made available through grant programs must be determined by the statewide comprehensive outdoor recreation plan.

Sec. 15. Minnesota Statutes 1984, section 84.928, is amended to read:

84.928 [OPERATION ON STREETS AND HIGHWAYS; LOCAL REGULATION.]

*Subdivision 1. [OPERATION ON STREETS AND HIGHWAYS.]* Except as provided in chapter 168 or in this section, a ~~three-wheel off-road~~ all-terrain vehicle may not be driven or operated on a highway.

*A* An all-terrain vehicle may ~~make a direct crossing of~~ cross a street or highway provided:

(1) the crossing is made at an angle of approximately 90 degrees to the direction of the highway and at a place where no obstruction prevents a quick and safe crossing;

(2) the vehicle is brought to a complete stop before crossing the shoulder or main traveled way of the highway;

(3) the driver yields the right of way to all oncoming traffic that constitutes an immediate hazard;

(4) in crossing a divided highway, the crossing is made only at an intersection of the highway with another public street or highway; and

(5) if the crossing is made between the hours of one-half hour after sunset to one-half hour before sunrise or in conditions of reduced visibility, only if both front and rear lights are on.

*Subd. 2. [OPERATION GENERALLY.]* A person may not operate an all-terrain vehicle:

(1) in a careless, reckless, or negligent manner so as to endanger or to cause injury or damage to the person or property of another; or

(2) without a functioning stoplight.

*Subd. 3. [OPERATING UNDER INFLUENCE OF ALCOHOL OR CONTROLLED SUBSTANCE.]* (a) A person may not operate or be in physical control of an all-terrain vehicle in this state when the person is:

(1) under the influence of alcohol;

(2) under the influence of a controlled substance; or

(3) under the influence of a combination of any two or more of the elements in clauses (1) and (2).

(b) A person who violates this subdivision is guilty of a misdemeanor.

*Subd. 4. [OPERATION PROHIBITED ON AIRPORTS.] A person may not operate an all-terrain vehicle on an airport as defined in section 360.013, subdivision 5.*

*Subd. 5. [ORGANIZED CONTESTS, USE OF HIGHWAYS AND PUBLIC LANDS AND WATERS.] (a) Notwithstanding this section or chapter 169, all-terrain vehicles may be operated within the right-of-way of a state trunk or county state-aid highway, or on public lands or waters under the jurisdiction of the commissioner of natural resources, in an organized contest, subject to the consent of the official or board having jurisdiction over the highway or public lands or waters. The official or board may prescribe restrictions or conditions for the contest.*

*(b) A county, statutory or home rule charter city, or a town, may regulate the operation of all-terrain vehicles within their boundaries, in a manner consistent with sections 84.92 to 84.929. A statutory or home rule charter city or town may not adopt an ordinance that:*

*(1) imposes a fee for the use of state land; or*

*(2) requires an all-terrain vehicle operator to possess a motor vehicle driver's license while operating an all-terrain vehicle.*

*Sec. 16. Minnesota Statutes 1984, section 85.018, subdivision 1, is amended to read:*

*Subdivision 1. [DEFINITIONS.] For the purposes of this section:*

*(a) "Trail" means a recreational trail, ~~which~~ that is funded in whole or in part by state grants-in-aid to a local unit of government.*

*(b) "Commissioner" means the commissioner of the state agency that makes grants-in-aid for a trail.*

*Sec. 17. Minnesota Statutes 1984, section 85.018, subdivision 2, is amended to read:*

*Subd. 2. [AUTHORITY OF LOCAL GOVERNMENT.] (a) A local government unit that receives state grants-in-aid for any trail, with the concurrence of the commissioner, and the landowner, or land lessee, may:*

*(a) (1) designate the trail for use by snowmobiles or for nonmotorized use from December 1 to April 1 of any year; and*

*(b) (2) issue any permit ~~required~~ allowed under subdivisions 3 to 5.*

*(b) A local government unit that receives state grants-in-aid under section 84.927, subdivision 2, for any trail, with the concurrence of the commissioner, and landowner or land lessee, may:*

*(1) designate the trail at different times of the year for nonmotorized use or use by all-terrain vehicles; and*

*(2) issue any permit allowed under subdivisions 3 to 5.*

*(c) A local unit of government that receives state grants-in-aid for any trail, with the concurrence of the commissioner and landowner or land lessee and after notice and public hearing, may designate certain trails for joint use by snowmobiles and all-terrain vehicles.*

*Sec. 18. Minnesota Statutes 1984, section 85.018, subdivision 3, is*



amended to read:

Subd. 3. **[MOTORIZED TRAIL USE; PERMITS.]** ~~Motorized use of trails~~ *If a trail has been designated for one use, other uses of the trail shall be allowed only by permit between April 2 and November 30 of any year. Permits shall require that permit holders return the trail and any associated facility to their original condition if any damage is done by the permittee. Limited permits for special events such as races may be issued and shall require the removal of any trail markers, banners and other material used in connection with the special event.*

Sec. 19. Minnesota Statutes 1984, section 85.018, subdivision 4, is amended to read:

Subd. 4. **[NONMOTORIZED USE TRAILS; WINTER.]** ~~From December 1 to April 1 of any year no~~ *A motorized vehicle shall may not be operated on a trail designated for nonmotorized use such as ski touring or snowshoe use.*

Sec. 20. Minnesota Statutes 1984, section 85.018, subdivision 5, is amended to read:

Subd. 5. **[SNOWMOBILE AND ALL-TERRAIN VEHICLE TRAILS RESTRICTED.]** *(a) From December 1 to April 1 in any year no use of a motorized vehicle other than a snowmobile, unless authorized by permit, lease or easement, shall be permitted on a trail designated for use by snowmobiles.*

*(b) From December 1 to April 1, a motorized vehicle other than an all-terrain vehicle may not be operated on a trail designated for use by all-terrain vehicles unless authorized by permit.*

Sec. 21. Minnesota Statutes 1984, section 100.273, subdivision 9, is amended to read:

Subd. 9. Violation of any provision of this section is a misdemeanor. 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 or 84.922, under which he was exercising or attempting to exercise a privilege while violating this section shall immediately become null and void.

Sec. 22. Minnesota Statutes 1984, section 296.16, subdivision 1, is amended to read:

Subdivision 1. **[INTENT.]** All gasoline received in this state and all gasoline produced in or brought into this state except aviation gasoline and marine gasoline shall be determined to be intended for use in motor vehicles in this state.

Approximately three-fourths of one percent of all gasoline received in this state and three-fourths of one percent of all gasoline produced or brought into this state, except gasoline used for aviation purposes, is being used as fuel for the operation of motor boats on the waters of this state and of the total revenue derived from the imposition of the gasoline fuel tax for uses other than in motor boats, three-fourths of one percent of such revenues is the amount of tax on fuel used in motor boats operated on the waters of this state.

Approximately three-fourths of one percent of all gasoline received in and

produced or brought into this state, except gasoline used for aviation purposes, is being used as fuel for the operation of snowmobiles in this state, and of the total revenue derived from the imposition of the gasoline fuel tax for uses other than in snowmobiles, three-fourths of one percent of such revenues is the amount of tax on fuel used in snowmobiles operated in this state.

*Approximately 0.15 of one percent of all gasoline received in or produced or brought into this state, except gasoline used for aviation purposes, is being used for the operation of all-terrain vehicles in this state, and of the total revenue derived from the imposition of the gasoline fuel tax, 0.15 of one percent is the amount of tax on fuel used in all-terrain vehicles operated in this state.*

Sec. 23. [APPROPRIATION.]

*\$\_\_\_\_\_ is appropriated from the all-terrain vehicle account to the commissioner of natural resources for the biennium ending June 30, 1987, to administer sections 1 to 19."*

Delete the title and insert:

*"A bill for an act relating to recreational vehicles; regulating all-terrain vehicles; providing penalties; appropriating money; amending Minnesota Statutes 1984, sections 84.92; 84.922, subdivisions 1, 3, 5, 6, 7, 8, and by adding subdivisions; 84.925; 84.927; 84.928; 85.018, subdivisions 1, 2, 3, 4, and 5; 100.273, subdivision 9; and 296.16, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 84."*

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

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

S.F. No. 948: A bill for an act relating to solid waste management; extending and making changes in the state program for providing capital assistance to local governments for processing facilities; authorizing bonds; appropriating bond funds; amending Minnesota Statutes 1984, sections 115A.49; 115A.52; 115A.54, by adding a subdivision; and 115A.59.

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

Page 1, after line 10, insert:

*"Section 1. Minnesota Statutes 1984, section 115A.03, is amended by adding a subdivision to read:*

*Subd. 25a. "Recyclable materials" means materials that are separated from mixed municipal solid waste, by the generator or during collection, for the purpose of recycling.*

*Sec. 2. Minnesota Statutes 1984, section 115A.03, is amended by adding a subdivision to read:*

*Subd. 25b. "Recycling" means the process of collecting and preparing recyclable materials for reuse in their original form or for use in manufactur-*

ing processes.

Sec. 3. Minnesota Statutes 1984, section 115A.03, subdivision 27, is amended to read:

Subd. 27. "Resource recovery" means the reclamation for sale, use, or reuse of materials, substances, energy, or other products contained within or derived from waste."

Page 1, line 20, strike "so as"

Page 3, line 5, delete "totaling"

Page 3, line 8, after "submitted" insert "under sections 115A.49 to 115A.54"

Page 3, lines 9 and 10, delete "if additional assistance is needed to develop the project"

Page 3, line 11, delete "aggregate"

Page 3, line 18, after "demonstrate" insert ":(1) that the project will conform to the requirement of section 12; and (2)"

Page 3, line 27, delete "may" and insert "shall" and delete "emergency"

Page 3, line 28, delete "under chapter 14" and after "program" insert "by July 1, 1985"

Page 3, lines 28 and 29, delete "Notwithstanding section 14.35, the rules remain in effect until June 30, 1987."

Page 3, line 35, delete "(a)" and insert "(1)"

Page 4, line 2, delete "(b)" and insert "(2)"

Page 4, line 6, delete "(a)" and insert "(1)"

Page 4, line 8, delete "3" and insert "6"

Page 4, after line 19, insert:

"Sec. 8. Minnesota Statutes 1984, section 115A.84, subdivision 3, is amended to read:

Subd. 3. [PLAN APPROVAL.] A district or county planning a designation for waste generated wholly within the metropolitan area defined in section 473.121 shall submit its designation plan to the metropolitan council for review and approval or disapproval. Other districts or counties shall submit the designation plan to the waste management board for review and approval or disapproval. The reviewing authority shall complete its review and make its decision within 90 120 days following submission of the plan for review. The reviewing authority shall approve the designation plan if the plan satisfies the requirements of subdivision 2. *The reviewing authority may attach conditions to its approval that relate to matters required in a designation ordinance under section 115A.86, subdivision 1. Amendments to plans must be submitted for review in accordance with this subdivision.*

Sec. 9. Minnesota Statutes 1984, section 115A.84, subdivision 4, is amended to read:

Subd. 4. [EXCLUSION OF CERTAIN MATERIALS.] When it approves

the designation plan, the reviewing authority shall exclude from the designation materials that the reviewing authority determines will be processed at another resource recovery facility if:

- (1) the other resource recovery facility is substantially completed or will be substantially completed within 18 months of the time that the designation plan is approved by the reviewing authority; and
- (2) the other facility has or will have contracts for purchases of its product; and
- (3) the materials are or will be under contract for delivery to the other facility at the time the other facility is completed.

In order to qualify for the exclusion of materials under this subdivision, the operator or owner of the other resource recovery facility shall file with the reviewing authority and the district or county or counties a written description of the facility, its intended location, its waste supply sources, purchasers of its products, its design capacity and other information that the reviewing authority and the district or county or counties may reasonably require. The information must be filed as soon as it becomes available but not later than 30 days following the date when the county or district submits its designation plan for approval.

The reviewing authority may revoke the exclusion granted under this subdivision when it approves the designation ordinance under section 115A.86 if in its judgment the excluded materials will not be processed at the other facility.

#### Sec. 10. [115A.918] [DEFINITIONS.]

*Subdivision 1. [APPLICABILITY.] The definitions in this section apply to this section, and sections 115A.919 and 115A.921.*

*Subd. 2. [CLOSURE.] "Closure" means actions that will prevent, mitigate, or minimize the threat to public health and the environment posed by a closed solid waste disposal facility including application of final cover; grading and seeding of final cover; installation of an adequate monitoring system, if necessary; and construction of ground and surface water diversion structures.*

*Subd. 3. [OPERATOR.] "Operator" means:*

- (1) the permittee of a mixed municipal solid waste disposal facility that has an agency permit; or*
- (2) the person in control of a mixed municipal solid waste disposal facility that does not have an agency permit.*

*Subd. 4. [POSTCLOSURE, POSTCLOSURE CARE.] "Postclosure" and "postclosure care" mean actions taken for the care, maintenance, and monitoring of a solid waste disposal facility after closure that will prevent, mitigate, or minimize the threat to public health and environment posed by the closed facility.*

*Subd. 5. [RESPONSE.] "Response" has the meaning given it in section 115B.02, subdivision 18.*

Sec. 11. Minnesota Statutes 1984, section 115A.919, is amended to read:

## 115A.919 [COUNTY FEE AUTHORITY.]

A county may impose a fee, *by cubic yard of waste or its equivalent*, on operators of facilities for *the disposal of mixed municipal solid waste* located within the county. The fee in the metropolitan area may not exceed 25 cents per cubic yard *or its equivalent*. The revenue from the fees shall be credited to the county general fund and shall be used only for landfill abatement purposes, or costs of closure, postclosure care, and response actions or for purposes of mitigating and compensating for the local risks, costs, and other adverse effects of facilities.

Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse shall be exempt from one-half the amount of the fee imposed by a county under this section if there is at least an 85 percent volume reduction in the solid waste processed. Before any fee is reduced, the verification procedures of section 473.843, subdivision 1, paragraph (c), must be followed and submitted to the appropriate county.

## Sec. 12. [115A.95] [RECYCLABLE MATERIALS.]

*A resource recovery facility that is burning waste, or converting waste to energy or to materials for combustion, and is owned or operated by a public agency or supported by public funds or by obligations issued by a public agency may not accept recyclable materials except for transfer to a recycler.*

Sec. 13. Minnesota Statutes 1984, section 400.04, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] Any county may conduct a solid waste management program which may include activities authorized by sections 400.01 to 400.17 and such other activities as are necessary and convenient to effectively carry out the purposes of sections 400.01 to 400.17. *A county that enters into a joint powers agreement under section 471.59 with a metropolitan county as defined in section 473.121, subdivision 4, to accomplish a solid waste management purpose may exercise the powers of the metropolitan county in relation to the solid waste management purpose under the joint powers agreement.*

Sec. 14. Minnesota Statutes 1984, section 473.153, subdivision 5, is amended to read:

Subd. 5. [ENVIRONMENTAL REVIEW.] An environmental impact statement must be completed on the environmental effects of the council's decisions required by subdivision 6. The statement must be prepared and reviewed in accordance with chapter 116D and the rules issued pursuant thereto, except as otherwise required by this section. The statement must not address or reconsider alternatives eliminated from consideration pursuant to subdivisions 1 and 2 and must not address the matters ~~to be decided~~ *subject to decision* by the council pursuant to subdivision 6b.

Sec. 15. Minnesota Statutes 1984, section 473.153, subdivision 6b, is amended to read:

Subd. 6b. [CERTIFICATION OF NEED.] No new facility for disposing of ash and other waste generated by the commission shall be permitted in the

metropolitan area without a certification of need issued by the council indicating the council's determination:

(a) that the disposal of waste with concentrations of hazardous materials is necessary; and

(b) that ~~the~~ additional ash disposal capacity ~~planned for the facility~~ is needed.

The council shall certify need only to the extent that there are no feasible and prudent methods of reducing the concentrations of hazardous materials in the waste and no feasible and prudent alternatives to ~~the~~ ash disposal facility, including large-scale composting and co-composting of sludge, which would minimize adverse impact upon natural resources. Methods and alternatives that are speculative or conjectural shall not be deemed to be feasible and prudent. Economic considerations alone shall not justify the certification of need or the rejection of methods or alternatives, including large-scale composting and co-composting of sludge as an alternative to incineration. In its certification the council shall not consider alternatives which have been eliminated from consideration by the selection of sites pursuant to ~~subdivisions~~ *subdivision 2 and 6*.

Sec. 16. Minnesota Statutes 1984, section 473.801, subdivision 1, is amended to read:

Subdivision 1. For the purposes of sections 473.801 to 473.845 and section 27 the terms defined in this section have the meanings given them.

Sec. 17. Minnesota Statutes 1984, section 473.811, subdivision 5, is amended to read:

Subd. 5. [ORDINANCES; SOLID WASTE COLLECTION AND TRANSPORTATION.] Each metropolitan county may adopt ordinances governing the collection of solid waste. Each local unit of government within the metropolitan area shall adopt an ordinance governing the collection of solid waste within its boundaries. If the county within which it is located has adopted an ordinance, the local unit shall adopt either the county ordinance by reference or a more strict ordinance. *A county may adopt an ordinance requiring the separation from mixed municipal waste, by generators before collection, of materials that can readily be separated for use or reuse as substitutes for raw materials or for transformation into a usable soil amendment.* Ordinances of counties and local government units may establish reasonable conditions respecting but shall not prevent the transportation of solid waste by a licensed collector through and between counties and local units, except as required for the enforcement of any designation of a facility by the council pursuant to section 473.827. A licensed collector or a metropolitan county or local government unit may request review by the council of an ordinance adopted under this subdivision. The council shall approve or disapprove the ordinance within 60 days of the submission of a request for review. The ordinance shall remain in effect unless it is disapproved. Ordinances of counties and local units of government shall provide for the enforcement of any designation of facilities by the council under section 473.827. Nothing in this subdivision shall be construed to limit the authority of the local government unit to regulate and license collectors of solid waste or to require review or approval by the council for ordinances regulating collection.

Sec. 18. Minnesota Statutes 1984, section 473.811, subdivision 5a, is amended to read:

Subd. 5a. [ORDINANCES; SOLID WASTE FACILITIES.] Each metropolitan county shall by ordinance establish and from time to time revise rules, regulations, and standards for solid waste facilities within the county, relating to location, sanitary operation, periodic inspection and monitoring, maintenance, termination and abandonment, and other pertinent matters. *The county ordinance may require facilities accepting mixed municipal solid waste for disposal to install scales.* The county ordinance shall require permits or licenses for solid waste facilities and shall require that such facilities be registered with a county office.

Sec. 19. Minnesota Statutes 1984, section 473.823, subdivision 6, is amended to read:

Subd. 6. [COUNCIL; CERTIFICATION OF NEED.] No new mixed municipal solid waste disposal facility or capacity shall be permitted in the metropolitan area without a certificate of need issued by the council indicating the council's determination that the additional disposal capacity planned for the facility is needed in the metropolitan area. The council shall amend its policy plan, adopted pursuant to section 473.149, to include standards and procedures for certifying need *that conform to the certification standards stated in this subdivision.* The standards and procedures shall be based on the council's disposal abatement plan adopted pursuant to section 473.149, subdivision 2d, the council's solid waste disposal facilities development schedule adopted under section 473.149, subdivision 2e, and the *provisions of any master plans of counties adopted pursuant to section 473.803, subdivision 1b and that have been approved by the council under section 473.803, subdivision 2, and that are consistent with the council's abatement plan and development schedule.* The council shall certify need only to the extent that there are no feasible and prudent alternatives to the disposal facility, including waste reduction, source separation and resource recovery which would minimize adverse impact upon natural resources. Alternatives that are speculative or conjectural shall not be deemed to be feasible and prudent. Economic considerations alone shall not justify the certification of need or the rejection of alternatives. In its certification the council shall not consider alternatives which have been eliminated from consideration by the adoption of the inventory pursuant to section 473.149, subdivision 2b, or the selection of sites under section 473.833, subdivision 3.

Sec. 20. Minnesota Statutes 1984, section 473.831, is amended to read:

473.831 [DEBT OBLIGATIONS; SOLID WASTE DISPOSAL.]

Subdivision 1. [GENERAL OBLIGATION BONDS.] The council may by resolution authorize the issuance of general obligation bonds of the council to provide funds for the ~~environmental analysis and acquisition of permanent or temporary right, title, or interest in real property, including easements and development rights, for sites and surrounding buffer areas for solid waste disposal facilities pursuant to this section and sections 473.833 and 473.840 purposes specified in subdivision 2 and to provide funds for refunding obligations issued under this section.~~ The bonds shall be sold, issued, and secured in the manner provided in chapter 475 for general obligation bonds, and the council shall have the same power and duties as a municipality and its gov-

erning body in issuing bonds under chapter 475, except as otherwise provided in this chapter. No election shall be required, and the net debt limitations in chapter 475 shall not apply. The council shall have the power levy ad valorem taxes for debt service of the council's solid waste bonds upon all taxable property within the metropolitan area, without limitation of rate or amount and without affecting the amount or rate of taxes which may be levied by the council for other purposes or by any local government unit in the area. Each of the county auditors shall annually assess and extend upon the tax rolls in his county the portion of the taxes levied by the council in each year which is certified to him by the council. The principal amount of bonds issued pursuant to this section shall not exceed \$15,000,000.

Subd. 2. [USE OF PROCEEDS.] (a) The proceeds of bonds issued under subdivision 1 shall be used by the council, ~~for the purposes provided in subdivision 1 and to provide funds for the environmental analysis of solid waste disposal sites, and to make grants to metropolitan counties to pay:~~

(1) the cost of the environmental review of sites;

(2) the acquisition of development rights for all or part of the period that the development limitation imposed by section 473.806 is in effect; ~~and;~~

(3) the acquisition of ~~all property or permanent or temporary right, title, or~~ interests in property, ~~including easements and development rights,~~ for solid waste disposal sites and surrounding buffer areas required to be acquired by the county, pursuant to sections 473.833 and 473.840, by the council's policy plan and development schedule adopted pursuant to section 473.149, subdivision 2e; ~~and~~

(4) ~~for the acquisition and improvement of resource recovery facilities.~~

(b) If the council is required by law or regulation to prepare environmental analyses on one or more solid waste disposal sites and surrounding buffer areas, the council may use the proceeds of the bonds issued under subdivision 1 to contract for consultant services in the preparation of such analyses only upon a finding that equivalent expertise is not available among its own staff.

Sec. 21. Minnesota Statutes 1984, section 473.840, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] (a) "Qualifying property" is a parcel of real property any part of which is located within the site or buffer area of a candidate site ~~selected under section 473.153, subdivision 2, for purposes of environmental review under subdivision 5 of that section,~~ or a site included in the metropolitan inventory adopted under section 473.149, subdivision 2b, for the purposes of environmental review under section 473.833, subdivision 2a.

(b) An "eligible owner" is a person who: (1) owns the entire parcel of qualifying property; (2) owned the entire parcel of property at the time the site was selected as a candidate site or included in the metropolitan inventory; (3) since the site was selected or included in the inventory, has for at least six months offered to sell the entire parcel on the open market through a licensed real estate agent; and (4) has not previously entered a contract under subdivision 4 for the sale of any or all of the parcel.



Sec. 22. Minnesota Statutes 1984, section 473.842, is amended by adding a subdivision to read:

*Subd. 1a. [CLOSURE.] "Closure" means actions that will prevent, mitigate, or minimize the threat to public health and the environment posed by a closed solid waste disposal facility including application of final cover; grading and seeding of final cover; installation of an adequate monitoring system, if necessary; and construction of ground and surface water diversion structures.*

Sec. 23. Minnesota Statutes 1984, section 473.842, is amended by adding a subdivision to read:

*Subd. 4a. [POSTCLOSURE, POSTCLOSURE CARE.] "Postclosure" and "postclosure care" mean actions taken for the care, maintenance, and monitoring of a solid waste disposal facility after closure that will prevent, mitigate, or minimize the threat to public health and environment posed by the closed facility.*

Sec. 24. Minnesota Statutes 1984, section 473.843, subdivision 7, is amended to read:

*Subd. 7. [ADMINISTRATIVE EXPENSES.] Any amount expended by the commissioner of revenue from a general fund appropriation to enforce and administer this section must be reimbursed to the general fund, and the amount necessary to make the reimbursement is appropriated, one-half from the landfill abatement fund and one-half from the landfill contingency action fund, to the commissioner of finance for transfer to the general fund.*

Sec. 25. Minnesota Statutes 1984, section 473.844, subdivision 2, is amended to read:

*Subd. 2. [ALLOCATION.] (a) Up to ten percent of the money in the fund may be appropriated to the agency for transfer to the metropolitan council for grants under subdivision 1, clause (3).*

*(b) Up to five percent of the money in the fund may be appropriated to the agency for transfer to the metropolitan council for technical assistance and grant administration of grants and loans and municipal cost recovery payments under this section.*

Sec. 26. Minnesota Statutes 1984, section 473.844, subdivision 5, is amended to read:

*Subd. 5. [LANDFILL ABATEMENT COST RECOVERY.] By January 31, 1986, and each January 31 afterwards, the director of the agency council shall pay each statutory and home rule charter city and town in the metropolitan area an amount not to exceed 50 cents per household, as defined in section 477A.011, subdivision 3a, for qualifying landfill abatement and resource recovery expenses incurred in the previous calendar year. To qualify under this subdivision, the landfill abatement and resource recovery must be included in the applicable county master plan or approved by the metropolitan council and the statutory or home rule charter city or town must certify expenses for the landfill abatement and resource recovery. The amounts necessary to make these payments are appropriated from the metropolitan landfill abatement fund to the director of the agency for transfer to the council.*

## Sec. 27. [473.848] [RESTRICTION ON DISPOSAL.]

*After January 1, 1990, waste disposal facilities located in the metropolitan area may not accept mixed municipal solid waste for disposal unless the waste has been transferred to the disposal facility from a resource recovery facility identified by the council. For purposes of this section, mixed municipal solid waste does not include street sweepings, construction debris, mining waste, foundry sand, and other materials, if they are not capable of being processed by resource recovery.*

Sec. 28. Laws 1984, chapter 644, section 81, subdivision 2, is amended to read:

Subd. 2. [REIMBURSEMENT.] Any amount expended by the agency and metropolitan council from the appropriations in subdivision 1 shall be reimbursed to the general fund; ~~and~~. The amount necessary to make the reimbursement of the appropriation in clause (1) is appropriated from the landfill abatement fund to the commissioner of finance for transfer to the general fund, and the amount necessary to make the reimbursement of the appropriation in clause (2) is appropriated from the landfill contingency action fund to the commissioner of finance for transfer to the general fund.

## Sec. 29. [ANOKA COUNTY; RESOURCE RECOVERY.]

Subdivision 1. [NON-METROPOLITAN COUNTY POWERS.] Anoka county may exercise the powers of a county under Minnesota Statutes, section 400.08, in addition to the powers that Anoka county may exercise under other law. The county may expend funds for resource recovery purposes under sections 473.801 to 473.845.

Subd. 2. [LEASE OR SALE OF PROPERTY.] Anoka county may sell or lease any facilities or property or property rights to accomplish the purposes specified by sections 473.149, 473.151, and 473.801 to 473.823, 473.827, 473.831, 473.833, and 473.834. The property may be sold or leased in the manner provided by section 458.196, or may be sold or leased in the manner and on the terms and conditions determined by the county board. Each metropolitan county may convey to or permit the use of the property by a local government unit, with or without compensation, without submitting the matter to the voters of the county. No real property or property rights acquired under this section may be disposed of in any manner unless and until the county has submitted to the agency and the metropolitan council for review and comment the terms on and the use for which the property will be disposed of. The agency and the council shall review and comment on the proposed disposition within 60 days after each has received the data relating thereto from the county.

## Sec. 30. [PENNINGTON COUNTY; RESOURCE RECOVERY.]

Pennington county may sell or lease any facilities or property or property rights to accomplish the purposes specified by chapter 400. The property may be sold or leased in the manner provided by section 400.14, or may be sold or leased in the manner and on the terms and conditions determined by the county board."

Page 4, line 34, delete "2 and 3" and insert "5 and 6"

Page 5, line 1, delete "2 and 3" and insert "5 and 6"

Page 5, after line 6 insert:

“Sec. 33. [APPROPRIATION.]

*Subdivision 1. [AMOUNTS.] The following amounts are appropriated from the metropolitan landfill abatement fund to the pollution control agency for the purposes stated:*

*(a) for transfer to the metropolitan council for expenditure under section 473.844, subdivision 1, clause (1),*

\$\_\_\_\_\_ \$\_\_\_\_\_

*(b) for transfer to the metropolitan council for expenditure under section 473.844, subdivision 1, clause (2),*

\$\_\_\_\_\_ \$\_\_\_\_\_

*(c) for transfer to the metropolitan council for expenditure under section 473.844, subdivision 1, clause (3),*

\$\_\_\_\_\_ \$\_\_\_\_\_

*(d) for transfer to the metropolitan council for expenditure under section 473.844, subdivision 1, clause (4),*

\$\_\_\_\_\_ \$\_\_\_\_\_

*Any unencumbered balances remaining in the first year do not cancel but are available for the second year of the biennium for the same purpose.*

*Subd. 2. [CONTINGENCY.] The appropriations in this section are contingent upon payment of the general fund reimbursements required in Laws 1984, chapter 644, section 81, subdivision 2, as amended, and subdivision 3, and the appropriations in sections 473.843, subdivision 7, and 473.844, subdivision 5. If in any year the amount remaining in the abatement fund after these payments is insufficient for the appropriations in this section, the appropriation in paragraph \_\_\_\_\_ is reduced accordingly.*

Sec. 34. [APPLICATION.]

*Sections 14 to 27 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.*

Sec. 35. [REPEALER.]

*Laws 1984, chapter 644, section 83, is repealed.*

Sec. 36. [EFFECTIVE DATE.]

*Sections 29 and 30 are effective the day after the county board complies with Minnesota Statutes, section 645.021, subdivision 3. Sections 1, 2, and 12 are effective the day after final enactment.”*

Renumber the sections in sequence

Delete the title and insert:

“A bill for an act relating to the environment; managing solid waste and sewage sludge; extending and making changes in the state program for providing capital assistance to local governments for processing facilities; authorizing bonds; appropriating bond funds; restricting land disposal of solid

waste in the metropolitan area; providing for the financing of resource recovery facilities in the metropolitan area by counties and the metropolitan council; changing provisions relating to designation plans, local disposal fees, metropolitan sludge and sludge ash facilities, and metropolitan county ordinances; granting and clarifying the powers which may be exercised by a county located outside the metropolitan area if it enters into an agreement with a metropolitan county for solid waste or resource recovery purposes; appropriating money; amending Minnesota Statutes 1984, sections 115A.03, subdivision 27, and by adding subdivisions; 115A.49; 115A.52; 115A.54, by adding a subdivision; 115A.59; 115A.84, subdivisions 3 and 4; 115A.919; 400.04, subdivision 1; 473.153, subdivisions 5 and 6b; 473.801, subdivision 1; 473.811, subdivisions 5 and 5a; 473.823, subdivision 6; 473.831; 473.840, subdivision 2; 473.842, by adding subdivisions; 473.843, subdivision 7; and 473.844, subdivisions 2 and 5; Laws 1984, chapter 644, section 81, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 115A and 473."

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

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

S.F. No. 1219: A bill for an act relating to natural resources; making groundwater protection a watershed district purpose; establishing a procedure for increasing the number of watershed district managers; defining certain proceedings as contested cases; providing a procedure for noncontroversial proceedings; allowing demands for contested case hearings in certain proceedings; amending Minnesota Statutes 1984, sections 112.36, subdivision 2; 112.37, subdivision 1a; and 112.401; proposing coding for new law in Minnesota Statutes, chapter 112; repealing Minnesota Statutes 1984, section 112.37, subdivision 6.

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 112.36, subdivision 2, is amended to read:

Subd. 2. [PURPOSES OF DISTRICT.] A watershed district may be established for any or all of the following conservation purposes:

- (1) Control or alleviation of damage by flood waters;
- (2) Improvement of stream channels for drainage, navigation, and any other public purpose;
- (3) Reclaiming or filling wet and overflowed lands;
- (4) Providing water supply for irrigation;
- (5) Regulating the flow of streams and conserving the waters thereof;
- (6) Diverting or changing watercourses in whole or in part;
- (7) Providing and conserving water supply for domestic, industrial, recre-

ational, agricultural, or other public use;

(8) Providing for sanitation and public health and regulating the use of streams, ditches, or watercourses for the purpose of disposing of waste;

(9) Repair, improve, relocate, modify, consolidate, and abandon, in whole or in part, drainage systems within a watershed district;

(10) Imposition of preventive or remedial measures for the control or alleviation of land and soil erosion and siltation of watercourses or bodies of water affected thereby;

(11) Regulating improvements by riparian landowners of the beds, banks, and shores of lakes, streams, and marshes by permit or otherwise in order to preserve the same for beneficial use;

(12) Providing for the generation of hydroelectric power; and

(13) Protecting or enhancing the quality of water in watercourses or bodies of water; and

*(14) providing for the protection of groundwater and regulating groundwater use to preserve groundwater for beneficial use.*

Sec. 2. Minnesota Statutes 1984, section 112.37, subdivision 1a, is amended to read:

Subd. 1a. The nominating petition shall set forth the following:

(1) The name of the proposed district and a statement in general terms setting forth the territory to be included in the district;

(2) The necessity for the district, the contemplated improvements within the district, and the reasons why the district and the contemplated improvements would be conducive to public health and public welfare, or accomplish any of the purposes of this chapter;

(3) The number of managers proposed for the district: ~~Except as otherwise provided in subdivisions 6 and 7, the managers shall be not less than three nor more than five~~ *nine, and shall be selected from a list of at least ten nominees containing at least twice the number of managers to be selected.* No manager shall be a public officer of the county, state, or federal government, provided that a soil and water conservation supervisor may be a manager;

(4) A map of the proposed district; and,

(5) A request for the establishment of the district as proposed.

Sec. 3. Minnesota Statutes 1984, section 112.401, is amended to read:

112.401 [BOARD HEARINGS; REFERENCE.]

*Subdivision 1. [PROCEDURE.] In any proceeding under this chapter, where a public hearing is required, (a) A rulemaking hearing shall be conducted under chapter 14.*

*(b) A hearing must be conducted as a contested case under the provisions of chapter 14 if the hearing is:*

*(1) in a proceeding to establish or terminate a watershed district; or*

*(2) of an appeal under section 112.801.*

(c) Notwithstanding chapter 14, other hearings under this chapter, except hearings under paragraphs (a) and (b), shall be conducted by the board under this section. The board may refer any question of fact the hearing to a member one or more members of the board or referee either to hear evidence and report it to the board, or an administrative law judge to hear evidence and make findings of fact and report them to the board.

Subd. 2. [PROCEDURE FOR NONCONTROVERSIAL PLANS OR PETITIONS.] (a) If the board finds that a watershed plan or petition that would be given a hearing under subdivision 1, paragraph (c), is noncontroversial, the board may proceed under this subdivision.

(b) The board must give notice that the plan or petition has been filed. The notice must be made:

(1) by publication once each week for two successive weeks in a legal newspaper in each county affected;

(2) by mail to the county auditor of each county affected; and

(3) by mail to the chief official of each home rule charter and statutory city affected.

(c) The notice:

(1) must describe the actions proposed by the plan or petition;

(2) invite written comments on the plan or petition for consideration by the board;

(3) state that a person who objects to the actions proposed in the plan or petition may submit a written request for hearing to the board within 30 days of the last publication of the notice of filing of the plan or petition; and

(4) state that if a timely request for hearing is not received, the board may make a decision on the plan or petition at a future meeting of the board.

(d) If one or more timely requests for hearing are received, the board must hold a hearing on the plan or petition.

Subd. 3. [APPEAL.] A party that is aggrieved by the decision made by the order of the board may appeal the order to the district court.

Sec. 4. [112.421] [PROCEDURE FOR INCREASING NUMBER OF MANAGERS.]

Subdivision 1. [PETITION AND NOTICE.] A petition must be filed with the secretary of the board to initiate proceedings to increase the number of managers of a watershed district. The petition must be signed as provided in section 112.37, subdivision 1, or signed by the board of managers of the watershed district. When the petition is filed, the board shall order a hearing to be held on the petition. Notice of hearing must be given in the same manner as a nominating petition.

Subd. 2. [HEARING.] If the board determines at the hearing that an increase in the number of managers would serve the public welfare, public interest, and the purpose of this chapter, the board shall increase the number of managers. If the district affects more than one county, the board, by order, shall direct the distribution of the managers among the affected counties.

Sec. 5. Minnesota Statutes 1984, section 473.882, subdivision 1, is amended to read:

Subdivision 1. [WATERSHED MANAGEMENT TAX DISTRICT.] Any local government unit planning for water management under sections 473.878 and 473.879 may establish a watershed management tax district in the territory within the watershed, for the purpose of paying the costs of the planning required under sections 473.878 and 473.879. Any local government unit which has part of its territory within a watershed for which a plan has been adopted in accordance with section 473.878 and which has a local water management plan adopted in accordance with section 473.879 may establish a watershed management tax district in the territory within the watershed, for the purpose of paying capital costs of the water management facilities described in the capital improvement program of the plans and for the purpose of paying for normal and routine maintenance of the facilities. A county or counties required by section 473.878, subdivision 2, to prepare, adopt, and implement a watershed plan ~~may~~ shall apportion the costs of planning, capital improvements, and maintenance *proportionate to benefits*. *The county may apportion the costs among the minor watershed units in the watershed, or among the statutory and home rule charter cities and towns having territory in the watershed, and for this purpose may establish more than one watershed management tax district in the watershed.*

Sec. 6. [REPEALER.]

*Minnesota Statutes 1984, section 112.37, subdivision 6, is repealed."*

Amend the title as follows:

Page 1, line 7, delete everything after the semicolon

Page 1, delete line 8 and insert "providing for appeals;"

Page 1, line 10, delete "and" and after "112.401;" insert "and 473.882, subdivision 1;"

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

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

S.F. No. 172: A bill for an act relating to education; providing for aids for education and for libraries, tax levies and the distribution of tax revenues; granting certain powers and duties to school boards, school districts, state board of education, board of teaching, and higher education coordinating board; modifying certain aspects of foundation aid; providing for payment of certain obligations to employees by school districts; providing for open enrollment among school districts with certain limitations; establishing the Minnesota arts resource center; providing for certain programs relating to teachers and pupils; amending Minnesota Statutes 1984, sections 120.03, subdivision 1, and by adding a subdivision; 120.06, subdivision 1; 120.10, subdivision 1; 120.11; 120.15; 120.17, subdivisions 1, 2, 3, 3a, and by adding subdivisions; 121.151; 121.608; 121.609; 121.612, subdivision 3, and by adding a subdivision; 121.88; 121.882; 121.904, subdivisions 4a, 4c, and by adding subdivisions; 121.912, subdivision 1; 121.931, subdivision 7; 121.936, subdivisions 1 and 2; 122.531, subdivisions 5 and 6; 122.86, sub-

division 1; 123.36, subdivision 1; 123.39, by adding subdivisions; 123.705, subdivision 1; 123.742, subdivisions 1, 3, 5, and by adding subdivisions; 123.7431; 124.09; 124.14, by adding a subdivision; 124.17, subdivision 1; 124.175; 124.19, subdivisions 1 and 5; 124.195, subdivisions 7, 8, 9, 10, and 11; 124.223; 124.225, subdivisions 1, 3, 4b, 7a, 7b, 8a, 8b, and 10; 124.245; 124.247, subdivision 3; 124.26; 124.271, subdivision 2b, and by adding a subdivision; 124.2711; 124.32, subdivisions 1b, 1d, 2, 5, 7, 10, and by adding a subdivision; 124.573, subdivisions 2 and 3a; 124.574, subdivision 2b; 124.76, subdivision 2; 124A.02, subdivisions 7, 8, and 9; 124A.03, subdivision 4, and by adding a subdivision; 124A.033, subdivisions 2, 3, and 5; 124A.036, by adding subdivisions; 124A.06, subdivision 1, and by adding subdivisions; 124A.10, subdivision 1, and by adding a subdivision; 124A.12, subdivision 1; 124A.14, subdivisions 1, 3, and 4, and by adding subdivisions; 124A.16; 125.03, by adding a subdivision; 125.05, subdivision 1, and by adding a subdivision; 125.12, by adding a subdivision; 125.182, subdivision 1; 125.185, subdivision 4; 125.60, subdivision 3; 129B.04, by adding a subdivision; 129B.17; 129B.20; 129B.21; 129B.34, subdivisions 2 and 3; 129B.35; 129B.36, subdivisions 1, 4, and 5; 129B.37, subdivision 1; 129B.38; 129B.39; 129B.40; 134.35; 134.351, subdivision 1; 136D.27; 136D.74, subdivision 2; 136D.87; 275.125, subdivisions 5b, 5c, 5d, 8, 8b, 11a, 11b, and by adding subdivisions; 298.24, subdivision 3; 298.28, subdivision 1; 354.092; 354.094, subdivision 1; 354.43, subdivision 3; 354.53, subdivision 1; 354.66, subdivisions 3 and 4; 354A.094, subdivision 2; 354A.12, subdivision 2; 355.208; 355.209; 355.287; 355.288; 355.46, subdivision 3; amending Laws 1973, chapter 683, section 26, as amended; Laws 1973, chapter 683, section 26, subdivision 17, as amended; Laws 1983, chapter 314, article 8, section 11; Laws 1984, chapter 463, article 9, section 9; proposing coding for new law in Minnesota Statutes, chapters 120; 121; 123; 124; 126; 129B; 134; and 136A; repealing Minnesota Statutes 1984, sections 120.03, subdivisions 2, 3, and 4; 120.68; 121.11, subdivision 7a; 121.601; 122.531, subdivision 3a; 122.89; 123.35, subdivision 14; 123.705, subdivision 2; 123.742, subdivision 2; 123.80, subdivisions 2 and 3; 124.225, subdivisions 4a, 8c, 8d, 8e, 8f, 8g, and 8h; 124.245, subdivisions 1 and 4; 124.247, subdivision 6; 124.271, subdivisions 2, 2a, and 2c; 124.272; 124.32, subdivision 9a; 124A.02, subdivisions 4a, 17, and 18; 124A.03, subdivision 5; 125.05, subdivision 5; 126.60, subdivision 4; 126.64, subdivision 1; 129B.03; 129B.10; 129B.18; 129B.19; 129B.33, subdivisions 2, 3, 4, and 6; 129B.34; 129B.36, subdivisions 2 and 3; 275.125, subdivisions 8a and 11c; 354.43, subdivisions 4 and 5; 354.66, subdivision 4a; 354A.12, subdivision 3; 355.46, subdivisions 1, 2, and 5; and 355.47.

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

Page 5, line 36, delete "\$1,845" and insert "\$1,840"

Page 6, line 2, delete "\$1,935" and insert "\$1,930"

Page 27, line 31, delete "\$689,583,700" and insert "\$689,468,600"

Page 27, line 32, delete "\$966,971,500" and insert "\$962,990,800"

Page 27, line 34, delete "\$607,714,200" and insert "\$607,599,100"

Page 28, line 2, delete "\$861,839,300" and insert "\$857,858,600"



Page 28, line 9, delete "\$214,725,900" and insert "\$216,227,700"

Page 37, line 18, delete "9.4" and insert "8.9"

Page 37, line 20, delete "8.3" and insert "7.4"

Page 43, line 11, delete "\$89,472,300" and insert "\$88,944,500"

Page 43, line 12, delete "\$96,436,100" and insert "\$95,287,300"

Page 43, line 14, delete "\$77,187,900" and insert "\$76,660,100"

Page 43, line 16, delete "\$13,621,400" and insert "\$13,528,200"

Page 43, line 17, delete "\$82,814,700" and insert "\$81,759,100"

Page 43, line 20, delete "\$90,809,300" and insert "\$90,188,300" and delete "\$97,429,100" and insert "\$96,187,100"

Page 50, delete section 11 and insert:

"Sec. 11. Minnesota Statutes 1984, section 124.32, subdivision 1b, is amended to read:

Subd. 1b. ~~[1983-1984 TEACHERS SALARIES.] Beginning in the 1983-1984 school year and each year thereafter, the state shall pay to any a district for the employment in its educational a portion of the salary of each essential person employed in the district's program for handicapped children 70 percent of the salary of essential personnel for during the normal regular school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, whether the essential personnel are person is employed by a district alone or jointly with another district one or more districts. The portion for a full-time person shall be the lesser of 70 percent of the salary or \$18,500. The portion for a part-time or limited-time person shall be the lesser of 70 percent of the salary or the product of \$18,500 times the ratio of the person's actual employment to full-time employment."~~

Page 54, line 17, strike "70 percent" and insert "a portion" and delete "not" and insert "of each"

Page 54, delete line 18

Page 54, line 19, strike "personnel in" and insert "person employed during" and delete "or 70 percent"

Page 54, delete line 20

Page 54, line 21, delete the new language

Page 54, line 23, after the period insert "The portion for a full-time person shall be the lesser of 70 percent of the salary or \$18,500. The portion for a part-time or limited-time person shall be the lesser of 70 percent of the salary or the product of \$18,500 times the ratio of the person's actual employment to full-time employment."

Page 56, line 10, delete "\$4,233,500" and insert "\$4,217,900"

Page 56, line 11, delete "\$4,554,600" and insert "\$4,517,000"

Page 56, line 19, delete "\$456,000" and insert "\$228,000"

Page 56, line 23, delete "\$1,354,000" and insert "\$1,347,000"

Page 56, line 24, delete "\$1,414,000" and insert "\$1,400,900"

Page 56, line 28, delete "\$3,059,000" and insert "\$3,046,400"

Page 56, line 29, delete "\$3,300,800" and insert "\$3,271,400"

Page 56, line 31, delete "\$2,627,800" and insert "\$2,615,200"

Page 56, line 33, delete "\$463,700" and insert "\$461,500"

Page 56, line 34, delete "\$2,837,100" and insert "\$2,809,900"

Page 57, line 1, delete "\$3,091,500" and insert "\$3,076,700" and delete "\$3,337,700" and insert "\$3,305,700"

Page 57, line 21, delete "\$74,000" and insert "\$72,800"

Page 65, line 15, delete "\$7,315" and insert "\$7,280"

Page 65, line 16, delete "\$5.50" and insert "\$5.45"

Page 65, line 24, delete "\$7,680" and insert "\$7,610"

Page 65, line 25, delete "\$5.75" and insert "\$5.70"

Page 67, line 33, delete "\$5.50" and insert "\$5.45"

Page 67, line 34, delete "\$7,315" and insert "\$7,280"

Page 68, line 3, delete "\$5.75" and insert "\$5.70"

Page 68, line 4, delete "\$7,680" and insert "\$7,610"

Page 70, line 24, delete "\$2,046,000" and insert "\$2,037,200"

Page 70, line 25, delete "\$2,241,000" and insert "\$2,221,900"

Page 70, line 28, delete "\$1,760,000" and insert "\$1,751,200"

Page 70, line 31, delete "\$310,000" and insert "\$309,000"

Page 70, line 32, delete "\$1,931,000" and insert "\$1,912,900"

Page 70, line 35, delete "\$2,070,034" and insert "\$2,060,200" and delete "\$2,271,100" and insert "\$2,250,500"

Page 71, line 4, delete "\$1,903,200" and insert "\$1,850,000"

Page 71, line 11, delete "\$1,683,000" and insert "\$1,629,800"

Page 71, line 14, delete "\$1,980,000" and insert "\$1,917,400"

Page 71, line 20, delete "\$8,003,600" and insert "\$7,948,000"

Page 71, line 24, delete "\$7,078,000" and insert "\$7,022,400"

Page 71, line 27, delete "\$8,327,000" and insert "\$8,261,700"

Pages 72 to 78, delete sections 1 to 3

Page 80, line 7, delete "\$2" and insert "\$1.95"

Page 80, line 10, delete "\$2,000" and insert "\$1,950"

Pages 80 and 81, delete sections 5 and 6

Page 85, line 28, after "MINNESOTA" insert "SCHOOL OF THE" and after "ARTS" insert "AND"

Page 85, lines 29 and 31, after "Minnesota" insert "school of the" and after "arts" insert "and"

Page 86, line 6, after "Minnesota" insert "school of the" and after "arts" insert "and"

Page 86, line 9, after "Minnesota" insert "school of the" and after "arts" insert "and" and delete "related"

Page 86, line 10, after "facilities" insert "related to the school"

Page 86, after line 11, insert:

*"(2) to prescribe textbooks and courses of study, conditions of admission, confer diplomas, and adopt policies for the operation of the school;"*

Page 86, line 14, after "the" insert "school and"

Page 86, line 30, after "to" insert "pupil activities, curriculum, and administration of" and after "the" insert "school and"

Page 86, line 34, after "Minnesota" insert "school of the" and after "arts" insert "and"

Re-number the clauses in sequence

Page 86, after line 34, insert:

*"Subd. 5. [ENROLLMENT.] To ensure statewide access and participation in the Minnesota school of the arts and resource center, enrollment of students shall be, to the extent possible, based on the secondary school enrollment in each congressional district in the state. Further:*

*(1) pupils shall be enrolled in grades nine through 12;*

*(2) no tuition or housing costs shall be charged to pupils attending the Minnesota school of the arts and resource center; and*

*(3) admission policies shall consider pupil needs and abilities as well as geographic, racial, and sexual balance.*

*Subd. 6. [PUPIL SERVICES.] The board shall provide the opportunity to reside in housing that affords adequate supervision and programs to meet the physical, emotional, social, and recreational needs of the pupils and shall make available health services for all pupils enrolled in the residential school program.*

*Subd. 7. [CURRICULUM.] The Minnesota school of the arts and resource center shall provide an interdisciplinary education program. An academic curriculum must be offered with special programs in dance, literary arts, media arts, music, theater, and visual arts in both the popular and fine arts traditions. Pupils attending the residential program shall complete high school graduation requirements. Advisory committees established by the board shall evaluate curricula and provide advice about programs offered through the resource center. The curriculum shall use the model learning outcomes developed by the department of education.*

*Subd. 8. [TEACHERS.] The board shall employ and contract with necessary licensed teachers. It may consider a teacher's artistic and educational abilities. The board may hire guest instructors for programs for which there is*

*no licensure and for other artistic activities for which it is not possible or appropriate to employ a licensed teacher.*

*The school of the arts board may employ a teacher currently employed by a school board. The school board employing the teacher shall grant a leave of absence to the teacher. For the purpose of sections 125.12 or 125.17, years of service at the school of the arts shall be deemed to be years of service in the district from which the teacher has been granted a leave. Employer contributions for fringe benefits shall be paid by the board of the school of the arts according to the contract between the teacher and the board of the school of the arts.*

*Subd. 9. [FUNDING.] For each pupil transferring from a school district to the school of the arts, the district from which the pupil transferred shall pay to the school of the arts an amount equal to the foundation aid formula allowance times the number of pupil units that have transferred. The district from which the pupil transferred shall levy according to section 124A.03, subdivision 1, for the transferred pupil."*

Page 86, line 35, delete "5" and insert "10"

Page 87, line 3, before the comma insert "to pupils who are not enrolled in the school of the arts"

Page 87, lines 5 and 7, delete "among" and insert "between the school of the arts and"

Pages 87 to 89, delete sections 12 to 15

Page 89, line 20, delete "\$200,000" and insert "\$199,000"

Page 89, line 21, delete "\$200,000" and insert "\$199,000"

Page 89, line 26, delete "\$1,000,000" and insert "\$980,000"

Page 89, line 27, delete "\$1,000,000" and insert "\$980,000"

Page 89, line 32, delete "\$500,000" and insert "\$497,500"

Page 89, line 33, delete "\$600,000" and insert "\$597,000"

Page 89, delete line 36

Page 90, delete lines 1 to 8

Page 90, line 16, delete "123.35, subdivision 14,"

Page 90, line 17, delete the first comma

Page 90, line 19, delete "4" and insert "1"

Page 90, delete lines 21 to 24

Renumber the sections of article 5 in sequence

Page 91, after line 8, insert:

"Sec. 2. Minnesota Statutes 1984, section 123.702, subdivision 1, is amended to read:

Subdivision 1. Every school board shall provide for a voluntary *program of early childhood* health and developmental screening ~~program~~ for children once before entering kindergarten. This screening program shall be estab-

lished either by one board, by two or more boards acting in cooperation, by educational cooperative service units, by early childhood and family education programs, or by other existing programs. No school board may make this screening examination a mandatory prerequisite to enroll a student."

Page 91, line 14, delete "\$16.20" and insert "\$16.15"

Page 91, line 16, delete "\$16.95" and insert "\$16.80"

Page 91, after line 16 insert:

"Sec. 4. Minnesota Statutes 1984, section 124.246, subdivision 2, is amended to read:

Subd. 2. [AID.] An eligible district shall receive ~~\$1.04 in \$1.08~~ for fiscal year ~~1984~~ 1985, ~~\$1.12~~ for fiscal year 1986, and ~~\$1.08 in \$1.16~~ for fiscal year ~~1985~~ 1987 for each pupil, in average daily membership, enrolled in a public elementary, secondary or area vocational-technical or nonpublic elementary or secondary school. Aid for nonpublic school pupils shall be paid to the district upon request by or on behalf of the pupils. No district shall receive less than ~~\$1,040 in \$1,080~~ for fiscal year ~~1984~~ 1985, ~~\$1,112~~ for fiscal year 1986, and ~~\$1,080 in \$1,160~~ for fiscal year ~~1985~~ 1987."

Page 91, line 23, delete "\$45" and insert "\$44.75"

Page 91, line 24, delete "\$47" and insert "\$46.55"

Page 97, line 2, after the period insert "*The board is encouraged to publish and make available information about all educational programs offered in the education district to the residents of an education district.*"

Page 97, line 6, delete the first "and"

Page 97, line 26, delete "\$52.25" and insert "\$52"

Page 97, line 28, delete "\$52,250" and insert "\$52,000"

Page 97, line 33, delete "11" and insert "13"

Page 100, lines 14 and 15, delete "5" and insert "7"

Page 101, lines 9 and 10, delete "5" and insert "7"

Page 102, lines 2, 3, 22 and 32, delete "5" and insert "7"

Page 102, line 26, delete "\$52.25" and insert "\$52"

Page 102, line 27, delete "\$52,250" and insert "\$52,000"

Page 107, after line 11, insert:

"Sec. 22. [INSTRUCTION TO REVISOR.]

*In the supplement to Minnesota Statutes 1984 and in subsequent editions and supplements thereafter, the revisor of statutes is requested to change the heading before section 123.701 from "PRESCHOOL HEALTH SCREENING" to "EARLY CHILDHOOD HEALTH AND DEVELOPMENTAL SCREENING".*

Page 107, line 20, delete "\$886,700" and insert "\$882,000"

Page 107, line 21, delete "\$955,200" and insert "\$944,600"

Page 107, line 24, delete "765,700" and insert "\$761,000"

Page 107, line 26, delete "\$135,200" and insert "\$134,300"

Page 107, line 28, delete "\$820,000" and insert "\$810,300"

Page 107, line 31, delete "\$900,900" and insert "\$895,300" and delete "\$964,700" and insert "\$953,300"

Page 107, line 36, delete "EQUALIZATION"

Page 108, line 1, delete "equalization"

Page 108, line 2, after "1" insert "or 2"

Page 108, lines 18, 21, and 36, delete "equalization"

Page 108, lines 19 and 22, delete "1a" and insert "3"

Page 108, line 20, delete "EQUALIZATION"

Page 109, line 3, delete "EQUALIZATION"

Page 109, lines 4 and 17, delete "equalization"

Page 109, line 4, delete "1c" and insert "4"

Page 109, line 18, after "1" insert "or 2"

Page 109, line 21, delete "\$718,700" and insert "\$715,700"

Page 109, line 22, delete "\$750,500" and insert "\$743,700"

Page 109, line 25, delete "\$614,400" and insert "\$611,400"

Page 109, line 27, delete "\$108,400" and insert "\$107,900"

Page 109, line 29, delete "\$642,100" and insert "\$635,800"

Page 109, line 32, delete "\$722,800" and insert "\$719,290" and delete "\$755,400" and insert "\$748,000"

Page 109, line 35, delete "\$65,707" and insert "\$65,390" and delete "\$68,664" and insert "\$68,000"

Page 110, line 3, delete "\$131,414" and insert "\$130,780" and delete "\$137,328" and insert "\$136,000"

Page 111, line 7, delete "\$1,878,500" and insert "\$1,869,200"

Page 111, line 9, delete "\$2,210,000" and insert "\$2,199,000"

Page 111, line 13, delete "\$110,000" and insert "\$109,450"

Page 111, line 14, delete "\$10,000" and insert "\$9,950"

Page 111, line 15, delete "\$20,000" and insert "\$19,900"

Page 111, line 24, delete "\$1,426,000" and insert "\$1,418,600"

Page 111, line 25, delete "\$1,623,500" and insert "\$1,608,900"

Page 111, line 28, delete "\$1,327,000" and insert "\$1,319,600"

Page 111, line 30, delete "\$234,100" and insert "\$232,800"

Page 111, line 32, delete "\$1,389,400" and insert "\$1,376,100"

Page 111, line 35, delete "\$1,561,100" and insert "\$1,552,400" and de-

lete "\$1,634,500" and insert "\$1,618,900"

Page 112, line 23, delete "\$167,872" and insert "\$167,181"

Page 112, line 24, delete "\$175,304" and insert "\$173,747"

Page 112, line 27, delete "\$143,520" and insert "\$142,829"

Page 112, line 29, delete "\$25,326" and insert "\$25,205"

Page 112, line 31, delete "\$149,978" and insert "\$148,542"

Page 112, line 34, delete "\$168,846" and insert "\$168,034" and delete "\$176,444" and insert "\$174,755"

Page 113, line 6, delete "\$52,993" and insert "\$52,738"

Page 113, line 7, delete "\$9,358" and insert "\$9,313"

Page 113, line 8, delete "\$14,444" and insert "\$14,374"

Page 113, line 9, delete "\$13,578" and insert "\$13,513"

Page 113, line 10, delete "\$40,737" and insert "\$40,541"

Page 113, line 11, delete "\$37,736" and insert "\$37,555"

Page 113, line 16, delete "\$55,378" and insert "\$54,848"

Page 113, line 17, delete "\$9,779" and insert "\$9,685"

Page 113, line 18, delete "\$15,094" and insert "\$14,949"

Page 113, line 19, delete "\$14,189" and insert "\$14,053"

Page 113, line 20, delete "\$42,570" and insert "\$42,163"

Page 113, line 21, delete "\$39,434" and insert "\$39,057"

Page 114, line 28, delete "\$1,055,200" and insert "\$1,056,000"

Page 114, line 29, delete "\$1,100,900" and insert "\$1,092,100"

Page 114, line 32, delete "\$901,300" and insert "\$902,100"

Page 114, line 34, delete "\$160,000" and insert "\$159,200"

Page 114, line 36, delete "\$940,900" and insert "\$932,900"

Page 115, line 3, delete "\$1,107,000" and insert "\$1,097,500"

Page 116, line 15, delete "\$843,800" and insert "\$840,300"

Page 116, line 16, delete "\$881,200" and insert "\$873,300"

Page 116, line 19, delete "\$721,400" and insert "\$717,900"

Page 116, line 21, delete "\$127,300" and insert "\$126,700"

Page 116, line 23, delete "\$753,900" and insert "\$746,600"

Page 116, line 29, delete "\$848,700" and insert "\$844,600" and delete "\$886,900" and insert "\$878,400"

Page 118, lines 21 and 23, delete "4" and insert "7"

Page 118, line 26, delete "22" and insert "25"

Page 125, line 30, delete "*elementary and secondary*"

Pages 128 and 129, delete section 20

Page 131, after line 36 insert:

*"Section 19 is effective July 1, 1986."*

Page 132, line 11, strike "models" and insert "programs"

Page 132, line 13, strike "models"

Page 132, line 25, strike "MODEL" and insert "IMPLEMENTATION"

Page 132, line 29, strike "model" and insert "program"

Page 132, lines 31 and 35, strike "model"

Page 133, line 5, strike "MODEL" and insert "PROGRAM"

Page 133, line 7, strike "the"

Page 133, lines 8 and 31, strike "models"

Page 133, lines 12 and 23, strike "models" and insert "program"

Page 134, line 8, delete "models" and insert "programs" and delete "3" and insert "2"

Page 147, line 25, before "The" insert:

*"Subd. 3. [CONTRACTS AND PROHIBITIONS.] A school district may secure the instructional resources for the 60 percent portion of the revenue by contracting with a teacher partnership, teacher cooperative, or other professional association formed and controlled by licensed public school teachers."* and after "The" insert "60 percent portion of the"

Page 147, line 27, delete "3" and insert "4"

Page 155, line 26, delete "70" and insert "65"

Page 157, line 36, delete "90" and insert "85"

Page 165, line 19, delete "TRAINING" and insert "EDUCATION"

Page 165, line 20, delete "training" and insert "education"

Page 165, line 22, delete "\$545,000" and insert "\$543,300"

Page 165, line 26, delete "\$1,103,000" and insert "\$1,097,500"

Page 165, line 27, delete "\$789,000" and insert "\$781,000"

Page 166, line 1, delete "\$53,000" and insert "\$52,800"

Page 166, line 2, delete "\$55,400" and insert "\$54,900"

Page 166, line 7, delete "\$300,000" and insert "\$297,800"

Page 166, line 11, delete "\$150,000" and insert "\$149,000"

Page 166, line 12, delete "\$150,000" and insert "\$149,000"

Page 166, line 19, delete "\$234,000" and insert "\$232,800"

Page 166, line 20, delete "\$600,000" and insert "\$594,000"

Page 166, lines 24 and 25, delete "\$500,000" and insert "\$496,000"

Page 166, lines 32 and 33, delete "\$50,000" and insert "\$49,600"



Page 167, line 8, delete "\$8,859,000" and insert "\$7,990,000"

Page 167, line 9, delete "\$10,422,000" and insert "\$9,400,000"

Page 167, line 25, delete "\$450,000" and insert "\$446,600"

Page 167, line 30, delete "\$350,000" and insert "\$347,400"

Page 167, line 35, delete "\$100,000" and insert "99,300"

Page 168, line 4, delete "\$487,000" and insert "\$452,200"

Page 168, line 8, delete "\$291,200" and insert "\$289,800"

Page 168, line 9, delete "\$304,300" and insert "\$301,400"

Page 168, line 13, delete "\$2,365,000" and insert "\$2,347,600"

Page 168, line 18, delete "\$106,000" and insert "\$105,500"

Page 168, line 19, delete "\$110,800" and insert "\$109,800"

Page 168, line 22, delete "\$1,000,000" and insert "\$992,500"

Page 168, line 27, delete "\$626,000" and insert "\$591,300"

Page 168, line 28, delete "\$624,000" and insert "\$589,400"

Page 168, line 32, delete "\$119,300" and insert "\$118,700"

Page 168, line 33, delete "\$124,700" and insert "\$123,500"

Page 169, line 1, delete "\$132,600" and insert "\$131,900"

Page 169, line 2, delete "\$138,600" and insert "\$137,200"

Page 169, line 6, delete "\$225,000" and insert "\$223,300"

Page 169, line 11, delete "\$26,000" and insert "\$25,900"

Page 169, line 12, delete "\$27,200" and insert "\$26,900"

Page 169, line 16, delete "\$200,000" and insert "\$198,500"

Page 170, after line 11, insert:

*"Subd. 29. [INDUSTRIAL TECHNOLOGY PROGRAM.] For development of curriculum for the industrial technology program there is appropriated:*

*\$50,000\_\_\_\_\_ 1986.*

*The sum is available until June 30, 1987."*

Renumber the subdivisions in sequence

Page 171, line 14, delete "48" and insert "47"

Page 173, line 35, delete "\$4,956,200" and insert "\$4,913,000"

Page 173, line 36, delete "\$5,216,100" and insert "\$5,166,200"

Page 174, line 2, delete "\$4,261,200" and insert "\$4,218,000"

Page 174, line 4, delete "\$752,000" and insert "\$744,400"

Page 174, line 5, delete "\$4,464,100" and insert "\$4,421,800"

Page 174, line 8, delete "\$5,013,200" and insert "\$4,962,400" and de-

lete "\$5,251,900" and insert "\$5,202,100"

Page 174, line 13, delete "\$205,100" and insert "\$204,200"

Page 174, line 14, delete "\$213,900" and insert "\$212,000"

Page 174, line 16, delete "\$175,100" and insert "\$174,200"

Page 174, line 18, delete "\$30,900" and insert "\$30,800"

Page 174, line 19, delete "\$183,000" and insert "\$181,200"

Page 174, line 22, delete "\$206,000" and insert "\$205,000" and delete "\$215,200" and insert "\$213,200"

Page 176, line 18, after "1987" insert "or both"

Page 177, line 22, delete "section" and insert "sections 124.2137 and"

Page 178, line 15, delete the first comma and insert "or" and delete ", or credit"

Page 178, line 20, delete the first comma and insert "or" and delete ", or credits"

Page 179, line 36, after "126," insert "134,"

Page 181, line 12, delete "subdivision" and insert "subdivisions 7 and"

Page 181, line 20, after the comma insert "it is assumed that"

Page 181, line 21, delete "shall" and insert "will"

Page 181, line 24, delete "\$5,666,300" and insert "\$5,728,700"

Amend the title as follows:

Page 1, delete line 10

Page 1, line 11, delete "with certain limitations;"

Page 1, line 12, delete "arts" and insert "school of the arts and"

Page 1, line 24, after the first semicolon insert "123.702, subdivision 1;"

Page 1, line 30, after the second semicolon insert "124.246, subdivision 2;"

Page 1, line 38, delete "124A.036, by adding subdivisions;"

Page 2, line 7, delete "298.24, subdivision 3;"

Page 2, line 17, delete "123;"

Page 2, line 18, delete "134; and 136A" and insert "and 134"

Page 2, line 21, delete "123.35, subdivision 14;"

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

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

H.F. No. 882 for comparison with companion Senate File, reports the fol-

lowing House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
882	614				

and that the above Senate File be indefinitely postponed.

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

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

H.F. No. 449 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
449	591				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 449 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 449 and insert the language after the enacting clause of S.F. No. 591, the first engrossment; further, delete the title of H.F. No. 449 and insert the title of S.F. No. 591, the first engrossment.

And when so amended H.F. No. 449 will be identical to S.F. No. 591, and further recommends that H.F. No. 449 be given its second reading and substituted for S.F. No. 591, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 633 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
633	622				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 633 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 633 and insert the language after the enacting clause of S.F. No. 622, the second engrossment; further, delete the title of H.F. No. 633 and insert the title of S.F. No.

622, the second engrossment.

And when so amended H.F. No. 633 will be identical to S.F. No. 622, and further recommends that H.F. No. 633 be given its second reading and substituted for S.F. No. 622, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 683 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
683	1223				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 683 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 683 and insert the language after the enacting clause of S.F. No. 1223, the first engrossment; further, delete the title of H.F. No. 683 and insert the title of S.F. No. 1223, the first engrossment.

And when so amended H.F. No. 683 will be identical to S.F. No. 1223, and further recommends that H.F. No. 683 be given its second reading and substituted for S.F. No. 1223, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 937 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
937	791				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 937 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 937 and insert the language after the enacting clause of S.F. No. 791, the first engrossment; further, delete the title of H.F. No. 937 and insert the title of S.F. No. 791, the first engrossment.

And when so amended H.F. No. 937 will be identical to S.F. No. 791, and

further recommends that H.F. No. 937 be given its second reading and substituted for S.F. No. 791, and that the Senate File be indefinitely postponed.

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

### SECOND READING OF SENATE BILLS

S.F. Nos. 1219 and 172 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 882, 449, 633, 683 and 937 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Spear moved that the name of Mr. Merriam be added as a co-author to S.F. No. 459. The motion prevailed.

Mrs. Kronebusch moved that the name of Mrs. Adkins be added as a co-author to S.F. No. 1223. The motion prevailed.

Mrs. Adkins and Mr. Jude introduced—

Senate Resolution No. 75: A Senate resolution commemorating the life and work of Art Schoening of Greenfield.

Referred to the Committee on Rules and Administration.

Mr. Peterson, D.L. moved that S.F. No. 444, No. 44 on General Orders, be stricken and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Willet moved that S.F. No. 1411 be taken from the table. The motion prevailed.

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.

Mr. Willet moved to amend S.F. No. 1411 as follows:

Page 1, line 8, delete everything after "Section 1." and insert "[BEMIDJI; SEED CAPITAL.]"

Page 1, line 9, delete "*a home rule or statutory*" and insert "*the*" and after "*city*" insert "*of Bemidji*"

Page 1, after line 15, insert:

"Sec. 2. [LOCAL APPROVAL.]

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

Amend the title as follows:

Page 1, line 2, delete "local government" and insert "the city of Bemidji"

and delete "a home rule"

Page 1, line 3, delete "or statutory" and insert "the"

Page 1, line 4, delete everything after "fund" and insert a period

Page 1, delete line 5

The motion prevailed. So the amendment was adopted.

S.F. No. 1411 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 47 and nays 8, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kronebusch	Nelson	Sieloff
Anderson	Dicklich	Laidig	Novak	Solon
Belanger	Frederick	Langseth	Peterson, C.C.	Spear
Benson	Frederickson	Lantry	Peterson, D.C.	Storm
Berglin	Freeman	Lessard	Peterson, D.L.	Vega
Bernhagen	Hughes	Luther	Petty	Waldorf
Bertram	Isackson	McQuaid	Pogemiller	Willet
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	
Chmielewski	Johnson, D.J.	Moe, D.M.	Ramstad	
Davis	Jude	Moe, R.D.	Schmitz	

Those who voted in the negative were:

Berg	Kamrath	Merriam	Peterson, R.W.	Renneke
Frank	Knaak	Pehler		

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

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

### CONSENT CALENDAR

H.F. No. 1388: A resolution memorializing the President, Congress, and the Secretary of Agriculture to require certain minimum levels of solids-not-fat in fluid milk marketed for direct human consumption.

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

The question was taken on the passage of the resolution.

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

Those who voted in the affirmative were:

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

So the resolution passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, 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

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;"

The motion prevailed. So the amendment was adopted.

S.F. No. 658 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 4, as follows:

Those who voted in the affirmative were:

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

Messrs. Dieterich, Knaak, Knutson and Petty voted in the negative.

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

### SPECIAL ORDER

H.F. No. 78: A bill for an act relating to crimes; defining the crime of owning or operating a disorderly house; requiring a mandatory fine for a person owning or operating a disorderly house; amending Minnesota Statutes 1984, section 609.33.

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

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 674: A bill for an act relating to human services; adoption; regulating adoptions by relatives; providing for procedural changes; amending



Minnesota Statutes 1984, sections 259.21, by adding a subdivision; and 259.23, subdivisions 1 and 2; 259.27, subdivision 1; repealing Minnesota Statutes 1984, section 259.27, subdivision 2.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 428: A bill for an act relating to the city of Eden Prairie; authorizing one annual one-day 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 56 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 919: A bill for an act relating to agriculture; protecting buyers when subject to a security interest; amending Minnesota Statutes 1984, section 336.9-307.

Mr. Sieloff moved to amend S.F. No. 919 as follows:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1984, section 336.9-306, is amended to read:

**336.9-306 ["PROCEEDS"; SECURED PARTY'S RIGHTS ON DISPOSITION OF COLLATERAL.]**

(1) "Proceeds" includes whatever is received upon the sale, exchange, collection or other disposition of collateral or proceeds. Insurance payable by reason of loss or damage to the collateral is proceeds, except to the extent that it is payable to a person other than a party to the security agreement. Money, checks, deposit accounts, and the like are "cash proceeds." All other proceeds are "noncash proceeds."

(2) Except where this article otherwise provides, a security interest continues in collateral notwithstanding sale, exchange or other disposition thereof unless the disposition was authorized by the secured party in the security agreement or otherwise, and also continues in any identifiable proceeds including collections received by the debtor.

(3) The security interest in proceeds is a continuously perfected security interest if the interest in the original collateral was perfected but it ceases to be a perfected security interest and becomes unperfected 20 days after receipt of the proceeds by the debtor unless

(a) a filed financing statement covers the original collateral and the proceeds are collateral in which a security interest may be perfected by filing in the office or offices where the financing statement has been filed and, if the proceeds are acquired with cash proceeds, the description of collateral in the financing statement indicates the types of property constituting the proceeds; or

(b) a filed financing statement covers the original collateral and the proceeds are identifiable cash proceeds; or

(c) the security interest in the proceeds is perfected before the expiration of the 20 day period.

Except as provided in this section, a security interest in proceeds can be perfected only by the methods or under the circumstances permitted in this article for original collateral of the same type.

(4) In the event of insolvency proceedings instituted by or against a debtor, a secured party with a perfected security interest in proceeds has a perfected security interest only in the following proceeds:

(a) in identifiable noncash proceeds and in separate deposit accounts containing only proceeds;

(b) in identifiable cash proceeds in the form of money which is neither commingled with other money nor deposited in a deposit account prior to the insolvency proceedings;

(c) in identifiable cash proceeds in the form of checks and the like which are not deposited in a deposit account prior to the insolvency proceedings; and

(d) in all cash and deposit accounts of the debtor, in which proceeds have been commingled with other funds, but the perfected security interest under this paragraph (d) is

(i) subject to any right of setoff; and

(ii) limited to an amount not greater than the amount of any cash proceeds received by the debtor within 20 days before the institution of the insolvency proceedings less the sum of (I) the payments to the secured party on account of cash proceeds received by the debtor during such period and (II) the cash proceeds received by the debtor during such period to which the secured party is entitled under paragraphs (a) to (c) of this subsection (4).

(5) If a sale of goods results in an account or chattel paper which is transferred by the seller to a secured party, and if the goods are returned to or are repossessed by the seller or the secured party, the following rules determine priorities:

(a) If the goods were collateral at the time of sale for an indebtedness of the seller which is still unpaid, the original security interest attaches again to the goods and continues as a perfected security interest if it was perfected at the time when the goods were sold. If the security interest was originally perfected by a filing which is still effective, nothing further is required to continue the perfected status; in any other case, the secured party must take possession of the returned or repossessed goods or must file.

(b) An unpaid transferee of the chattel paper has a security interest in the goods against the transferor. Such security interest is prior to a security interest asserted under paragraph (a) to the extent that the transferee of the chattel paper was entitled to priority under section 336.9-308.

(c) An unpaid transferee of the account has a security interest in the goods against the transferor. Such security interest is subordinate to a security interest asserted under paragraph (a).

(d) A security interest of an unpaid transferee asserted under paragraph (b) or (c) must be perfected for protection against creditors of the transferor and purchasers of the returned or repossessed goods.

*(6) If the goods are farm products disposed of by a person engaged in farming operations, a security interest continues only in 80 percent of the proceeds."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "limiting security interests in farm product proceeds;"

Page 1, line 4, delete "section" and insert "sections 336.9-306; and"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 29 and nays 26, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Pehler	Schmitz
Benson	Dieterich	Laidig	Peterson, C.C.	Sieloff
Berg	Frederick	Langseth	Peterson, D.L.	Spear
Chmielewski	Freeman	Lessard	Purfeerst	Storm
Davis	Johnson, D.E.	McQuaid	Reichgott	Wegscheid
DeCramer	Knutson	Mehrkins	Renneke	

Those who voted in the negative were:

Anderson	Dicklich	Knaak	Olson	Samuelson
Belanger	Frank	Kroening	Peterson, D.C.	Waldorf
Berglin	Frederickson	Lantry	Peterson, R.W.	
Bernhagen	Hughes	Merriam	Petty	
Bertram	Isackson	Moe, D.M.	Pogemiller	
Brataas	Kamrath	Novak	Ramstad	

The motion prevailed. So the amendment was adopted.

S.F. No. 919 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	DeCramer	Kamrath	Novak	Renneke
Anderson	Dicklich	Knaak	Olson	Samuelson
Belanger	Diessner	Knutson	Pehler	Sieloff
Benson	Dieterich	Kroening	Peterson, C.C.	Solon
Berg	Frank	Kronebusch	Peterson, D.C.	Spear
Berglin	Frederick	Laidig	Peterson, D.L.	Storm
Bernhagen	Frederickson	Langseth	Peterson, R.W.	Vega
Bertram	Freeman	Lantry	Petty	Waldorf
Brataas	Hughes	McQuaid	Pogemiller	Wegscheid
Chmielewski	Isackson	Mehrkins	Purfeerst	
Dahl	Johnson, D.E.	Merriam	Ramstad	
Davis	Jude	Moe, D.M.	Reichgott	

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

### SPECIAL ORDER

S.F. No. 580: A bill for an act relating to the city of Lakeville; appropriating money to return a forfeiture.

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 57 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

## SPECIAL ORDER

H.F. No. 67: A bill for an act relating to judges; providing for the manner of filling vacancies in the office of judge; proposing coding for new law in Minnesota Statutes, chapter 480B.

Mr. Pogemiller moved to amend H.F. No. 67, as amended pursuant to Rule 49, adopted by the Senate March 18, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 245.)

Page 4, line 4, delete "*the district bar*" and insert "*attorney*"

Page 4, line 24, delete "*and*" and insert "*or*"

Page 5, line 8, delete "*Sunday*" and insert "*Monday*"

The motion prevailed. So the amendment was adopted.

Ms. Reichgott moved to amend H.F. No. 67, as amended pursuant to Rule 49, adopted by the Senate March 18, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 245.)

Page 2, line 32, before the period insert "*, at least one of whom must be an attorney*"

The motion prevailed. So the amendment was adopted.

Mr. Kroening moved to amend H.F. No. 67, as amended pursuant to Rule 49, adopted by the Senate March 18, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 245.)

Page 4, line 35, delete "*shall*" and insert "*may*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 38 and nays 17, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Isackson	Laidig	Renneke
Anderson	Davis	Johnson, D.E.	Lessard	Spear
Belanger	DeCramer	Johnson, D.J.	McQuaid	Vega
Benson	Frank	Jude	Mehrkens	Waldorf
Berg	Frederick	Kamrath	Merriam	Wegscheid
Bernhagen	Frederickson	Knutson	Olson	Willet
Bertram	Freeman	Kroening	Pehler	
Chmielewski	Hughes	Kronebusch	Peterson, C.C.	

Those who voted in the negative were:

Berglin	Lantry	Peterson, D.C.	Pogemiller	Storm
Dieterich	Luther	Peterson, D.L.	Purfeerst	
Knaak	Moe, D.M.	Peterson, R.W.	Ramstad	
Langseth	Novak	Petty	Reichgott	

The motion prevailed. So the amendment was adopted.

H.F. No. 67 was then progressed.

## INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time and referred to the committee

indicated.

Mr. Chmielewski introduced—

S.F. No. 1511: A bill for an act relating to employment; regulating entertainment agencies; providing a penalty; amending Minnesota Statutes 1984, sections 184A.01; 184A.03; 184A.04; 184A.05; 184A.06; 184A.10; 184A.12; 184A.13; 184A.14; 184A.15; 184A.16; 184A.18; 184A.19; and 184A.20; proposing coding for new law in Minnesota Statutes, chapter 184A.

Referred to the Committee on Employment.

### MEMBERS EXCUSED

Messrs. Gustafson, Stumpf and Taylor were excused from the Session of today. Mr. Solon was excused from the Session of today at 1:15 p.m. Mr. Dahl was excused from the Session of today from 12:00 noon to 1:15 p.m. Mr. Moe, R.D. was excused from the Session of today from 12:30 to 1:45 p.m. Messrs. Pehler and Willet were excused from the Session of today from 12:45 to 1:15. Mr. Johnson, D.J. was excused from the Session of today from 12:40 to 2:15 p.m.

### ADJOURNMENT

Mr. Luther moved that the Senate do now adjourn until 7:00 p.m., Monday, April 29, 1985. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate