

FIFTY-FIFTH DAY

St. Paul, Minnesota, Wednesday, May 8, 1985

The Senate met at 1:00 p.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Luther imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Raymond J. Zweber.

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

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

The President declared a quorum present.

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Johnson, D.J. moved that the following members be excused for a Conference Committee on H.F. No. 756 at 1:00 p.m.:

Messrs. Johnson, D.J.; Peterson, C.C.; Novak; Petty and Merriam. The motion prevailed.

MESSAGES FROM THE HOUSE

Mr. President:

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

following Senate File:

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

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

Schreiber, Knickerbocker and Voss.

Senate File No. 1398 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1985

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 227:

H.F. No. 227: A bill for an act relating to horse racing; providing for racing days at county fairs; amending Minnesota Statutes 1984, section 240.14, subdivision 3.

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

Minne, Redalen and Frerichs have been appointed as such committee on the part of the House.

House File No. 227 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 7, 1985

Mr. Dicklich moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 227, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 889:

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.

The House respectfully requests that a Conference Committee of three

members be appointed thereon.

Frederickson, Solberg and Uphus have been appointed as such committee on the part of the House.

House File No. 889 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 7, 1985

Mr. Bertram moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 889, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1037:

H.F. No. 1037: A bill for an act relating to utilities; exempting small, qualifying energy facilities from the certificate of need process; amending Minnesota Statutes 1984, section 216B.243, subdivision 8.

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

Tjornhom, Redalen and Jacobs have been appointed as such committee on the part of the House.

House File No. 1037 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 7, 1985

Mr. Vega moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1037, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 88.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 7, 1985

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 88: A bill for an act relating to education; providing for aids to education, aids to libraries, state payments for teacher retirement contribu-

tions, and the distribution of tax revenues; granting certain powers and duties to school boards, school districts, the state board of education, the board of teaching, and the higher education coordinating board; modifying certain components of foundation aid; modifying the basic maintenance mill rate; modifying computation of pupil units; repealing revenue equity; modifying the computation of summer program aid, transportation aid, special education aid, secondary vocational aid, and other aids; establishing an aid and levy formula for excellence in teaching and curriculum; providing for a temporary definition of school bus; providing for measurement of pupil progress; establishing mastery learning pilot projects; requiring state board of teaching to field test plans for assessment of new teachers; appropriating money; amending Minnesota Statutes 1984, sections 120.06, subdivision 1; 120.10, subdivision 1; 120.11; 120.15; 120.17, subdivision 3, and by adding a subdivision; 121.88; 121.882, subdivision 2, and by adding a subdivision; 121.904, subdivisions 4a and 4c; 121.912, subdivision 1; 122.86, subdivision 1; 123.33, by adding a subdivision; 123.36, subdivision 1; 123.58, by adding a subdivision; 123.705, subdivision 1; 123.742, subdivision 7, and by adding subdivisions; 123.7431, subdivision 1; 124.09; 124.14, subdivision 4; 124.17, by adding subdivisions; 124.19, subdivision 1; 124.195, subdivision 9; 124.2138, subdivision 2; 124.223; 124.225, subdivisions 1, 3, 4b, 7a, 7b, 8a, 8b, and 10; 124.246, subdivision 2; 124.247, subdivision 3; 124.26, subdivisions 1 and 6; 124.271, subdivision 2b, and by adding a subdivision; 124.2711, subdivision 1; 124.272, subdivision 3; 124.273, subdivision 1b; 124.32, subdivisions 1b, 1d, 2, 5, and 10; 124.48, by adding a subdivision; 124.573, subdivision 2; 124.574, subdivision 2b; 124.646, subdivision 1; 124A.02, subdivisions 6, 7, 8, 9, 16, and by adding a subdivision; 124A.03, subdivisions 3, 4, and by adding a subdivision; 124A.033, subdivisions 2 and 3, and by adding a subdivision; 124A.037; 124A.06, subdivisions 1 and 3a; 124A.08, subdivisions 3a and 5; 124A.10, subdivision 3a; 124A.12, subdivision 3a; 124A.14, subdivision 5a; 124A.16, subdivisions 2 and 4; 125.05, subdivisions 1 and 5; 125.12, by adding a subdivision; 125.17, by adding a subdivision; 125.185, subdivision 4; 125.60, subdivisions 3 and 7; 126.64, subdivision 2; 129B.17; 129B.20; 129B.21; 129B.35; 129B.36; 129B.38, subdivision 1; 129B.39; 129B.40; 134.31, subdivisions 2 and 3; 134.35; 134.351, subdivision 1; 136D.27; 136D.74, subdivision 2; 136D.87; 275.125, subdivisions 5b, 5d, 8, 8a, and 8b, and by adding subdivisions; 290.06, by adding a subdivision; 298.28, subdivision 1; 354.06, subdivision 1; 354.43, subdivision 3; 354A.12, subdivision 2; 355.208; 355.209; 355.287; 355.288; 355.46, subdivision 3; and Laws 1973, chapter 683, section 26, subdivision 17, as amended; Laws 1984, chapter 463, article 9, section 9; proposing coding for new law in Minnesota Statutes, chapters 121; 123; 124; 124A; 126; 129B; 134; and 136A; repealing Minnesota Statutes 1984, sections 120.17, subdivision 1a; 120.172, subdivision 3; 122.84; 122.85; 122.89; 123.3511; 123.3512; 123.3513; 124.201, subdivisions 3, 4, and 5; 124.2138, subdivision 2; 124.225, subdivisions 4a, 8c, 8d, 8e, 8f, 8g, and 8h; 124.247, subdivision 6; 124.271, subdivisions 2 and 2a; 124.273, subdivisions 2b and 5; 124.32, subdivision 9a; 124A.03, subdivision 5; 124A.035, subdivision 6; 124A.037; 125.611, subdivisions 3, 4, 5, 6, and 7; 126.64, subdivision 1; 129B.03; 129B.33; 129B.34; 275.125, subdivision 2j; 354.43, subdivisions 1, 4, and 5; 354A.12, subdivision 3; 355.46, subdivisions 1, 2, and 5; and 355.47.

Mr. Moe, R.D. moved that H.F. No. 88 be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

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

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

S.F. No. 905: A bill for an act relating to insurance; authorizing the receiver of an insolvent insurer to accelerate the distribution of available assets in payment of claims against the insurer; establishing priority of certain claims; providing for recoupment of assessments; amending Minnesota Statutes 1984, sections 60B.44, subdivision 1; 60B.46, by adding subdivisions; 60C.05, subdivision 1; 60C.18; and 61B.07, by adding a subdivision.

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

Page 1, after line 25, insert:

"Sec. 2. Minnesota Statutes 1984, section 60B.44, subdivision 4, is amended to read:

Subd. 4. [LOSS CLAIMS.] *All claims of a guaranty association, all claims under policies or contracts of coverage for losses incurred including third party claims, and all claims against the insurer for liability for bodily injury or for injury to or destruction of tangible property which are not under policies or contracts, except the first \$200 of losses otherwise payable to any claimant under this subdivision. All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values, shall be treated as loss claims. Claims may not be cumulated by assignment to avoid application of the \$200 deductible provision. That portion of any loss for which indemnification is provided by other benefits or advantages recovered or recoverable by the claimant shall not be included in this class, other than benefits or advantages recovered or recoverable in discharge of familial obligations of support or by way of succession at death or as proceeds of life insurance, or as gratuities. No payment made by an employer to his employee shall be treated as a gratuity.*"

Page 2, line 30, after the semicolon, insert "and"

Page 3, line 3, delete "such"

Page 3, line 4, after "estimated" insert "to be"

Page 3, line 6, delete ", and" and insert ". The proposal"

Pages 4 to 6, delete sections 7 and 8

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete everything before "amending"

Page 1, line 7, delete "subdivision" and insert "subdivisions"

Page 1, line 8, after "1" insert "and 4" and after "subdivisions;" insert "and"

Page 1, line 9, delete "; 60C.18; and 61B.07, by adding a subdivision"

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

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

S.F. No. 1455: A bill for an act relating to taxation; property; extending the exemption for certain property held by a municipality.

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

Amend the title as follows:

Page 1, delete lines 2 and 3 and insert "relating to the city of Little Falls; extending the duration of the tax exemption for certain property held by the municipality."

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

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

S.F. No. 1512: A bill for an act relating to tax increment financing; transferring duties to the state auditor; imposing financial reporting and accounting requirements; repealing the authority to provide interest reduction programs; amending Minnesota Statutes 1984, sections 273.74, subdivisions 2, 5, and by adding a subdivision; and 298.2211, subdivision 1; repealing Minnesota Statutes 1984, section 462.445, subdivisions 10, 11, 11a, 12, and 13.

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

Page 2, line 9, reinstate the stricken language and delete "*state auditor*"

Page 2, line 10, delete "*state auditor*" and insert "*commissioner*"

Page 2, delete section 2

Page 4, line 12, delete "*sold to*" and insert "*paid by*"

Pages 4 and 5, delete sections 4 to 7 and insert:

"Sec. 3. Minnesota Statutes 1984, section 273.75, subdivision 4, is amended to read:

Subd. 4. [LIMITATION ON USE OF TAX INCREMENT.] All revenues derived from tax increment shall be used in accordance with the tax increment financing plan. The revenues shall be used solely for the following purposes: (a) to pay the principal of and interest on bonds issued to finance a project; (b) by a rural development financing authority for the purposes stated in section 362A.01, subdivision 2, by a port authority or municipality exercising the powers of a port authority to finance or otherwise pay the cost of redevelopment pursuant to chapter 458, by a housing and redevelopment authority to finance or otherwise pay public redevelopment costs pursuant to chapter 462, by a municipality to finance or otherwise pay the capital and administration costs of a development district pursuant to chapter 472A, by a municipality or redevelopment agency to finance or otherwise pay premiums

for insurance or other security guaranteeing the payment when due of principal of and interest on the bonds pursuant to chapters 462C, 474, or both chapters, or to accumulate and maintain a reserve securing the payment when due of the principal of and interest on the bonds pursuant to chapters 462C, 474, or both chapters, which revenues in the reserve shall not exceed, subsequent to the fifth anniversary of the date of issue of the first bond issue secured by the reserve, an amount equal to 20 percent of the aggregate principal amount of the outstanding and nondefeased bonds secured by the reserve. *Revenues derived from tax increment may be used to finance the costs of an interest reduction program operated pursuant to section 462.445, subdivisions 10 to 13, or pursuant to other law granting interest reduction authority and power by reference to those subdivisions only under the following conditions: (a) tax increments may not be collected for a program for a period in excess of 12 years after the date of the first interest rate reduction payment for the program, (b) tax increments may not be used for an interest reduction program, if the proceeds of bonds issued pursuant to section 273.77 after December 31, 1985, have been or will be used to provide financial assistance to the specific project which would receive the benefit of the interest reduction program, and (c) not more than 50 percent of the estimated tax increment derived from a project may be used to finance an interest reduction program for owner-occupied single-family dwellings unless a project is located in an area which would qualify as a redevelopment district. These revenues shall not be used to circumvent existing levy limit law. No revenues derived from tax increment shall be used for the construction or renovation of a municipally owned building used primarily and regularly for conducting the business of the municipality; this provision shall not prohibit the use of revenues derived from tax increments for the construction or renovation of a parking structure, a commons area used as a public park or a facility used for social, recreational or conference purposes and not primarily for conducting the business of the municipality.*

Sec. 4. Minnesota Statutes 1984, section 475.52, subdivision 6, is amended to read:

Subd. 6. [CERTAIN PURPOSES.] Any municipality may issue bonds for paying judgments against it; for refunding outstanding bonds; ~~or~~ for funding floating indebtedness; *or for funding all or part of the municipality's current and future unfunded liability for a pension or retirement fund or plan referred to in section 356.20, subdivision 2, as those liabilities are most recently computed pursuant to sections 356.215 and 356.216 by purchasing from an insurance company or financial corporation a contractual obligation providing for the deposit annually in the pension or retirement fund or plan the amount required to liquidate all or part of the liability within the period required by law. A pension or relief association referred to in section 69.77 shall be a party to any contractual obligation made under this section that affects the funding of liabilities for pension and retirement benefits for which it is responsible.*

Sec. 5. Minnesota Statutes 1984, section 475.54, is amended by adding a subdivision to read:

Subd. 5a. Any obligation may be issued giving its owner the right to tender, or its issuer to demand tender of, the obligation to the issuing municipality or other person designated by the municipality, for purchase by the

issuing municipality or person at the time or times determined by the governing body, if the municipality has first entered into an agreement with a suitable financial institution obligating the financial institution to provide funds to the municipality on a timely basis for purchase of bonds tendered to it. The purchase of a tendered obligation by or on behalf of the municipality shall not be deemed a payment or discharge of the obligation. Obligations tendered for purchase may be remarketed by or on behalf of the municipality or any other purchaser. The municipality may enter into agreements deemed appropriate to provide for the purchase of tendered obligations, including provisions under which undelivered obligations may be deemed tendered for purchase and new obligations may be substituted for them, the reimbursement to any person of amounts provided to purchase tendered obligations on behalf of the municipality, the remarketing of tendered obligations, and similar or related agreements. Obligations subject to tender for purchase shall not be deemed to mature within the meaning of subdivision 1 on any date for tender.

Sec. 6. Minnesota Statutes 1984, section 475.56, is amended to read:

475.56 [INTEREST RATE.]

Any municipality issuing obligations under any law may issue obligations bearing interest at a single rate or at rates varying from year to year which may be lower or higher in later years than in earlier years. Such higher rate for any period prior to maturity may be represented in part by separate coupons designated as additional coupons, extra coupons, or B coupons, but the highest aggregate rate of interest contracted to be so paid for any period shall not exceed the maximum rate authorized by law. Such higher rate may also be represented in part by the issuance of additional obligations of the same series, over and above but not exceeding two percent of the amount otherwise authorized to be issued, and the amount of such additional obligations shall not be included in the amount required by section 475.59 to be stated in any bond resolution, notice, or ballot, or in the sale price required by section 475.60 or any other law to be paid; but if the principal amount of the entire series exceeds its cash sale price, such excess shall not, when added to the total amount of interest payable on all obligations of the series to their stated maturity dates, cause the average annual rate of such interest to exceed the maximum rate authorized by law. This section does not authorize a provision in any such obligations for the payment of a higher rate of interest after maturity than before. *Any obligation of an issue of obligations otherwise subject to section 475.55, subdivision 1, may bear interest at a rate varying periodically at the time or times and on the terms, including convertibility to a fixed rate of interest, determined by the governing body of the municipality, but the rate of interest for any period shall not exceed the maximum rate of interest for the obligations determined in accordance with section 475.55, subdivision 1. For purposes of section 475.61, subdivisions 1 and 3, the interest payable on variable rate obligations for their term shall be determined as if their rate of interest is the maximum rate permitted for the obligations under section 475.55, subdivision 1, or the lesser maximum rate of interest payable on the obligations in accordance with their terms, but if the interest rate is subsequently converted to a fixed rate the levy may be modified to provide at least five percent in excess of amounts necessary to pay principal of and interest at the fixed rate on the obligations when due.*

Sec. 7. Minnesota Statutes 1984, section 475.58, subdivision 1, is amended to read:

Subdivision 1. [APPROVAL BY MAJORITY OF ELECTORS; EXCEPTIONS.] Obligations authorized by law or charter may be issued by any municipality upon obtaining the approval of a majority of the electors voting on the question of issuing the obligations, but an election shall not be required to authorize obligations issued:

- (1) to pay any unpaid judgment against the municipality;
- (2) for refunding obligations;
- (3) for an improvement, which obligation is payable wholly or partly from the proceeds of special assessments levied upon property specially benefited by the improvement, or of taxes levied upon the increased value of property within a district for the development of which the improvement is undertaken, including obligations which are the general obligations of the municipality, if the municipality is entitled to reimbursement in whole or in part from the proceeds of such special assessments or taxes and not less than 20 percent of the cost of the improvement is to be assessed against benefited property or is estimated to be received from such taxes within the district;
- (4) payable wholly from the income of revenue producing conveniences;
- (5) under the provisions of a home rule charter which permits the issuance of obligations of the municipality without election; ~~and~~
- (6) under the provisions of a law which permits the issuance of obligations of a municipality without an election; *and*
- (7) *to fund unfunded pension liabilities.*

Sec. 8. Minnesota Statutes 1984, section 475.60, subdivision 2, is amended to read:

Subd. 2. [REQUIREMENTS WAIVED.] The requirements as to public sale shall not apply to:

- (1) Obligations issued under the provisions of a home rule charter or of a law specifically authorizing a different method of sale, or authorizing them to be issued in such manner or on such terms and conditions as the governing body may determine;
- (2) Obligations sold by an issuer in an amount not exceeding the total sum of \$300,000 in any three month period;
- (3) Obligations issued by a governing body other than a school board in anticipation of the collection of taxes or other revenues appropriated for expenditure in a single year, if sold in accordance with the most favorable of two or more proposals solicited privately; ~~and~~
- (4) Obligations sold to any board, department, or agency of the United States of America or of the state of Minnesota, in accordance with rules or regulations promulgated by such board, department, or agency; *and*
- (5) *Obligations issued to fund unfunded pension liabilities, obligations referred to in section 475.54, subdivision 5a, obligations referred to in section 475.67, subdivision 13, and any issue of obligations comprised in whole*

or in part of obligations bearing interest at a rate or rates which vary periodically.

Sec. 9. Minnesota Statutes 1984, section 475.67, subdivision 8, is amended to read:

Subd. 8. Securities purchased for the escrow account shall be limited to:

(a) general obligations of the United States, securities whose principal and interest payments are guaranteed by the United States, and securities issued by the following agencies of the United States: Banks for Cooperatives, Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Land Banks, and the Federal National Mortgage Association; or

(b) obligations issued or guaranteed by any state or any political subdivision of a state, which at the date of purchase are rated the highest or the next highest rating given by Standard and Poor's Corporation, Moody's Investors Service, or a similar nationally recognized rating agency, but not less than the rating on the refunded bonds immediately prior to the refunding.

Sec. 10. Minnesota Statutes 1984, section 475.67, is amended by adding a subdivision to read:

Subd. 13. Crossover refunding obligations may be issued by a municipality without regard to the limitations in subdivisions 4 to 10. The proceeds of crossover refunding obligations, less any proceeds applied to payment of the costs of their issuance, shall be deposited in a debt service fund irrevocably appropriated to the payment of principal of and interest on the refunding obligations until the date the proceeds are applied to payment of the obligations to be refunded. The debt service fund shall be maintained as an escrow account with a suitable financial institution within or without the state and amounts in it shall be invested in securities described in subdivision 8 maturing or callable at the option of the holder on the dates and bearing interest at the rates required to provide funds sufficient, with any cash retained or deposited in the escrow account, to pay when due principal and interest to become due on the refunding obligations on or before the next date on which the refunding of the obligations to be refunded may be effected. Excess proceeds, if any, of the tax levy pursuant to section 475.61, subdivision 1, made with respect to the obligations to be refunded, may be deposited in the escrow account. In the resolution authorizing the issuance of crossover refunding obligations, the governing body may pledge to their payment any sources of payment of the obligations to be refunded. The pledge shall become effective on the date of payment of the obligations to be refunded. Subdivisions 11 and 12 shall not apply to any crossover refunding obligations, or the obligations to be refunded, if the resolution or ordinance authorizing the issuance of the obligations to be refunded states that the obligations are issued in contemplation of the issuance of crossover refunding obligations. No tax levy shall be required under section 475.61, subdivision 1, for the refunding obligations for years prior to the date on which the refunding of the obligations to be refunded is effected.

Sec. 11. [REPEALER.]

Minnesota Statutes 1984, section 462.445, subdivision 13, is repealed.

Sec. 12. [EFFECTIVE DATE.]

Section 2 is effective August 1, 1985. Section 3 is effective for all interest reduction programs established after December 31, 1985. The other sections are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to public finance; imposing financial reporting and accounting requirements; allowing municipalities to issue bonds for pension liabilities; allowing municipalities to issue bonds on various conditions; limiting use of tax increments in interest reduction programs; removing limitation on duration of interest reduction programs; amending Minnesota Statutes 1984, sections 273.74, subdivision 2, and by adding a subdivision; 273.75, subdivision 4; 475.52, subdivision 6; 475.54, by adding a subdivision; 475.56; 475.58, subdivision 1; 475.60, subdivision 2; and 475.67, subdivision 8, and by adding a subdivision; repealing Minnesota Statutes 1984, section 462.445, subdivision 13."

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

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

S.F. No. 1424: A bill for an act relating to the metropolitan sports facilities commission; renaming it the metropolitan sports and convention facilities commission; authorizing it to acquire, design, construct, equip, improve, control, operate, and maintain convention and trade show facilities and related facilities in the city of Minneapolis and to expend certain money for it; authorizing it to exercise eminent domain; authorizing it to issue bonds to finance the acquisition and betterment of convention and trade show facilities and related facilities; authorizing the city of Minneapolis to expend certain funds, including taxes and tax increments, for commission purposes; authorizing the city of Minneapolis and the metropolitan council to contract with the commission and to exercise powers of the commission and perform other acts; authorizing the city to levy and collect certain taxes and to issue bonds to finance the acquisition and betterment of the facility; authorizing the city to proceed with the convention and trade show facilities if the commission does not; authorizing the council to issue bonds to finance the acquisition and betterment of convention and trade show facilities or to refund outstanding bonds issued to finance certain sports facilities, and to levy taxes; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 473.

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

Delete everything after the enacting clause and insert:

"Section 1. [473.5961] [CONVENTION AND RELATED FACILITIES.]

Subdivision 1. [PURPOSE.] Sections 1 to 8 are enacted to establish and provide for the construction, financing, and operation of a Minnesota metropolitan convention center of a size and character competitive in the national and international market for conventions and trade shows, at the site

of the existing convention hall and auditorium in the city of Minneapolis, substantially in accordance with design criteria set forth in the "Report on a Minnesota Convention and Trade Show Facility" dated February 5, 1985, which was prepared and submitted to the governor and legislature pursuant to Laws 1984, chapter 654, article 2, section 152, together with desirable related facilities. It is determined that this is an initiative of major concern to the state, the city of Minneapolis and its surrounding metropolitan area regarding their common objectives of economic development, increase in employment and increase in the bases for income, sales, and property taxes to pay costs of government, and is therefore an appropriate purpose for the allocation of resources of each of these levels of government as authorized below.

Subd. 2. [DEFINITIONS.] For purposes of sections 1 to 8, the following terms have the following meanings:

(a) "Board" means the convention construction board established by section 2.

(b) "Bonds" means any bonds, notes, or other obligations, including obligations to pay under a financing lease or installment contract of an issuer.

(c) "City" means the city of Minneapolis.

(d) "Commission" means the Minnesota sports and convention facilities commission.

(e) "Convention facilities" means all property, real or personal, tangible or intangible, located in the city of Minneapolis, to be used as part of convention and trade show facilities located on the facility site, and additions or extensions of the facilities.

(f) "Council" means the metropolitan council.

(g) "Facility site" means the land on which the existing convention hall and auditorium of the city of Minneapolis is located and which is owned by the city, together with any adjacent property the commission determines to be necessary and appropriate for the construction or improvement of convention and trade show facilities.

(h) "Related facilities" means all property, real or personal, tangible or intangible, located on or within 1,000 feet of the boundary of the facility site which facilitates the use of the convention facilities, including but not limited to parking, pedestrian, and meeting facilities and any other facilities related and or useful in the fulfillment of the purposes of the convention facilities.

Sec. 2. [473.5962] [CONVENTION AND CONSTRUCTION BOARD.]

Subdivision 1. [ESTABLISHMENT.] A convention construction board is established to oversee construction of the convention facilities. The board shall not be deemed a state agency. The board shall design, construct, equip, furnish, and improve convention facilities, and at the request of the commission, related facilities. The board shall consist of five members. Notwithstanding any other provision of law, the governor shall initially appoint five members and designate one member as chair within 30 days following the effective date of this section and members may be appointed without regard to residence, office, position, or employment but shall have in their individ-

ual capacities no direct or indirect interest in any contract for the acquisition or betterment of any convention and trade show facilities. Not more than one member of the commission and no member of the city council of the city may be appointed. The appointments are not subject to section 15.0597, but the terms and removal of board members and the filling of vacancies on the board are as provided in section 15.0575. A person shall not be deemed to have an interest in any contract because of any public office held by the person. Each member of the board shall qualify by taking and subscribing the oath of office prescribed by the Minnesota Constitution, article V, section 6. The oath, duly certified by the officer administering it, shall be filed with the chairperson of the commission.

Subd. 2. [ACTIONS; DURATION.] The board shall act by a majority of members, adopt rules and bylaws, including procedural rules for the conduct of its meetings, appoint officers, and hold meetings to carry out the duties and functions assigned to it by sections 1 to 8. The provisions of section 471.705 do not apply to meetings of the board, but the board shall make tape recordings or other electronic records of its meetings and shall adopt rules under which the meeting records are to be available to the public. The board shall continue in existence until the board determines (1) that construction of the convention facilities is substantially complete, or (2) that the convention facilities cannot be constructed. In exercising its powers under sections 1 to 8, the board shall not be subject to sections 473.161, 473.165, 473.173, and 473.556, subdivision 6.

Subd. 3. [BOARD COMPENSATION.] Members of the board shall be paid \$50 for each day or part of a day devoted to board business. The chair of the board shall be paid a salary as the board shall establish. The members and chair shall be reimbursed for reasonable expenses incurred in connection with board business.

Subd. 4. [RELATIONSHIP OF BOARD TO COMMISSION.] To the extent the board does not have other funds available for the purpose, the commission shall from available funds pay or reimburse the board for all costs incurred by the board within the scope of its authority and the compensation required to be paid to board members. Upon termination of the board the commission shall be the successor in interest to the board for all rights, privileges and duties of the board created in sections 1 to 8 or arising under any contracts entered into by the board within the scope of its authority. The board and commission shall cooperate to the greatest extent practicable to permit each to discharge its duties under sections 1 to 8.

Subd. 5. [POWERS OF THE BOARD.] The board shall have all powers necessary or convenient to discharge the duties imposed by law, including but not limited to the following:

(a) The board may sue and be sued, and shall be a public body within the meaning of chapter 562.

(b) The board may employ, without public bidding, persons, firms, or corporations to perform one or more or all of the functions of architect, engineer, construction manager, or contractor for either design or construction, with respect to all or any part of the convention facilities or related facilities. Notwithstanding the foregoing, contractors for actual construction services shall be selected through a process of public bidding determined by

the board and approved by the commissioner of administration, but the board may narrow the listing of eligible bidders to those that the board determines to possess sufficient expertise to perform the intended functions. The board's determination of eligible bidders must be made according to criteria adopted by the board and made public before the process of public bidding begins. Any construction manager or contractor shall certify, before the contracts are finally signed, a construction price and completion date to the board and shall post a bond in an amount at least equal to 100 percent of the certified price, including but not limited to costs incurred by the board or the commission or loss of revenues by the commission resulting from incomplete construction on the completion date. The board shall secure surety bonds as required in section 574.26, securing payment of just claims in connection with all public work undertaken by it. Persons entitled to the protection of the bonds may enforce them as provided in sections 574.28 to 574.32, and shall not be entitled to a lien under the provisions of sections 514.01 to 514.16.

(c) The board may employ persons and contract for services necessary to carry out its functions. The board shall adopt a personnel policy in accordance with the guidelines adopted by the council under section 473.141, subdivision 9. Employees of the board are not public employees for purposes of chapters 43A and 179A and are not members of a public pension fund.

(d) The board may, subject to approval by the commission, accept gifts of money, property, or services, may apply for and accept grants or loans of money or other property from the United States, the state, any subdivision of the state, or any person for any of its purposes, may enter into any agreement required in connection with them, and may hold, use, and dispose of the money, property, or services in accordance with the terms of the gift, grant, loan, or related agreement.

(e) The board may require any employee to obtain and file with it an individual bond or fidelity insurance policy. It may procure insurance in the amounts it deems necessary against liability of the board or its officers and employees for personal injury or death and property damage or destruction, with the force and effect stated in chapter 466, and against risks of damage to or destruction of any of its facilities, equipment, or other property.

(f) In exercising its powers to contract for the purchase of services, materials, supplies, and equipment, pursuant to sections 1 to 8, the board shall designate and set aside each fiscal year for awarding to small businesses approximately ten percent of the value of anticipated contracts and subcontracts of that kind for that year, in the manner required of the commissioner of administration for state procurement contracts pursuant to sections 16B.19 to 16B.22.

Subd. 6. [ENVIRONMENTAL IMPACT STATEMENT.] The board shall be the responsible governmental unit for preparation of an environmental assessment worksheet for the convention facilities. The board shall complete the environmental assessment worksheet within 30 days of notifying the environmental quality board of the facility site and scope of the convention facilities. If an environmental impact statement is necessary, the board shall prepare it. The final statement shall be accepted by the environmental quality board no later than 180 days following the determination that

an environmental impact statement is necessary. The environmental assessment worksheet and any environmental impact statement for the proposed convention center shall be prepared in accordance with sections 1 to 8, and to the extent consistent with this act, in accordance with chapter 116D and rules issued pursuant to it. Any declaratory judgment action pursuant to section 116D.04, subdivision 10, shall be heard and decided within 60 days of the decision challenged and shall be initiated within 15 days of the decision. The board may engage the department of transportation, the pollution control agency, or any other department or agency of the state, or private consultant to conduct studies necessary to the preparation of the worksheet or statement. The board shall reimburse state departments or agencies for costs incurred in conducting the studies.

Subd. 7. [PERMITS.] Within 60 days following the acceptance of the environmental impact statement by the environmental quality board, or a decision that an environmental impact statement is not required, the pollution control agency and any other department, agency, or unit of government shall take final action to approve or deny any permits necessary for the proposed convention center.

Subd. 8. [COMMENCEMENT OF CONSTRUCTION; CONDITIONS.] The construction or improvement of convention facilities in accordance with the contracts and applicable law shall commence as promptly as practicable following issuance of bonds for them authorized in sections 1 to 8, but the board shall not authorize the commencement of construction or improvement of any convention facilities until the commission has determined that each of the following has occurred or is satisfied:

(a) Demolition and construction costs under construction contracts, not including costs for construction managers, architectural, engineering, and other professional fees, insurance, bonds, permits, licenses, taxes, and similar costs for constructing or improving the convention facilities are not reasonably expected to require more than \$126,000,000 in public funds.

(b) The city has conveyed to the commission without cost the city's title to all parcels of land on which the existing convention hall and auditorium in the city are located and which are owned by the city on the date this section becomes effective, together with title to all structures and improvements on them and furnishings and equipment used in the operation of the facility. The title shall be free and clear of all liens and encumbrances not acceptable to the commission.

(c) In addition to the conveyance referred to in paragraph (b), the city has conveyed or has entered into arrangements satisfactory to the commission to convey to the commission without cost the fee title to other parcels of land satisfactory to the commission for all of the facility site or the city by binding contract has agreed to incur \$25,000,000 for acquisition, relocation, condemnation, demolition, clearance, and related costs, including professional fees, concerning any or all of the parcels. The title shall be free and clear of all liens and encumbrances not acceptable to the commission.

(d) The design plans for the convention facilities will be in substantial conformity with design criteria set forth in a "Report on a Minnesota Convention and Trade Show Facility" dated February 5, 1985, prepared by the Minnesota convention facility commission and submitted to the governor and

legislature.

(e) *Proceeds of the bonds, net of issuance costs, reserves and proceeds for the payment of interest on the bonds, will be paid, loaned, or otherwise made available to the board and will be sufficient, together with all other funds available to the commission or board for such purpose, to acquire, construct, improve, equip, and furnish the convention facilities in accordance with plans or designs which will be approved by the board.*

(f) *The board has executed agreements which will provide for the construction or improvement of the convention facilities for a certified construction price and a stated completion date and which include performance bonds in an amount at least equal to 100 percent of the certified price to cover any costs which may be incurred over and above the certified price, including but not limited to costs incurred by the commission or board or loss of revenues resulting from incomplete construction on the completion date.*

(g) *The board has executed agreements with the appropriate labor organizations and construction contractors which provide that no labor strike or management lockout will halt, delay, or impede construction or improvement of the convention facilities.*

(h) *The revenues available to the commission will be sufficient to pay projected operating expenses, including any appropriate reserves for operations, repairs and replacements, and improvements of the convention facilities.*

Sec. 3. [473.5963] [ACQUISITION AND OPERATION; COMMISSION POWERS.]

The commission may acquire, own, lease, control, operate, and maintain convention facilities and related facilities. The commission may equip, furnish, and improve convention facilities. The commission may design, construct, equip, and improve related facilities at locations selected by the commission and approved by the city council of the city. With respect to contracts related to convention facilities and related facilities, the commission shall have the same rights and obligations of the commission that are provided by section 473.556, subdivisions 7 and 14, with respect to contracts related to sports facilities. For purposes of sections 1 to 8, including paying amounts owing under contracts entered into by the board, paying costs of operation and maintenance and paying or securing debt service and maintenance of reserves for any bonds issued pursuant to sections 1 to 8, the commission may expend money received by it from any source not required by law or contract to be expended for another purpose and enter into contracts to that effect with any persons, including the city, the council, or bondholders. The board shall maintain public financial records according to a system approved by the legislative auditor and make the records available to the legislative auditor upon request. The legislative auditor may conduct financial or performance audits of the board. The commission may pledge any of its property or funds, not otherwise restricted by law or contract, to the payment of principal of, premium, if any, or interest on bonds or other debt incurred in connection with the convention facilities or related facilities. The acquisition of any convention facilities or related facilities may be pursuant to a lease, lease with option to purchase agreement, installment sale contract, contract for deed, mortgage note, loan agreement, or other similar

contract or direct purchase, which may be secured by or payable from any property or money available to the commission not pledged or required by law or contract to be applied for another purpose. The commission may acquire all property and property rights necessary or desirable for convention facilities or related facilities by exercise of the power of eminent domain pursuant to chapter 117. In exercising its powers under sections 1 to 8, the commission shall not be subject to sections 473.161, 473.165, 473.173, and 473.556, subdivision 6.

Sec. 4. [473.5964] [TRANSFER OF CONVENTION HALL AND AUDITORIUM AND CITY EMPLOYEES.]

Subdivision 1. [CONVEYANCE AND ASSUMPTION OF CONTRACTS.] *The city may transfer to the commission without consideration all right, title, and interest in the existing convention hall and auditorium in the city, together with any furnishings or equipment related to them, pursuant to agreements, instruments, and actions as the parties may agree upon. The commission shall thereupon assume and become obligated to perform all contracts of the city with respect to the operation, maintenance, and use of the facilities other than contracts of employment with city employees and collective bargaining agreements; provided that before the transfer the city shall have provided copies of all the contracts to the commission and advised the commission of all material terms of any contracts which are not in writing.*

Subd. 2. [CONVEYANCE NOT RESTRICTED.] *The property conveyed pursuant to this section shall not constitute a violation of any restrictions, reservations, rights of reentry, possibilities of reverter, forfeiture clauses, or other conditions arising from any previous conveyance of all or part of the property to the city from the state. After the conveyance to the commission, the commission's title shall not be subject to any restrictions, reservations, rights of reentry, possibilities of reverter, forfeiture clauses or other conditions contained in any previous state conveyance to the city, except for any reservation of minerals or mineral rights in the state.*

Subd. 3. [REDUCTION IN CITY PARTICIPATION.] *The amount of \$25,000,000 referred to in section 2, subdivision 8, paragraph (c), shall be reduced by any amount by which the city's net operating income from the facility for the city's fiscal year to date of transfer is negative, after adjustment for accounts receivable and accounts payable by the city from operation of the facility and only to the extent the city can establish that the city's net operating income from the facility for the entire fiscal year would have been more than the net operating income to the date of such transfer.*

Subd. 4. [CITY EMPLOYEES.] *Upon transfer by the city to the commission of the existing convention hall and auditorium contemplated in subdivision 1, all employees of the city who are appointed, classified full time, or on the effective date of this section are classified part time with at least 2,080 cumulative hours of employment with the city, and who work primarily in the administration, operation, or maintenance of the facility shall continue to be employees of the city without impairment of their civil service and other status as city employees and continue, under the direction of the commission, to be employed at the facility. The commission shall reimburse the city for their compensation and all other costs incurred by the city related to city*

employees at the facility. The employment of other persons at the facility who are not city employees shall be on conditions that do not impair the status of the city employees.

Sec. 5. [473.5965] [FINANCING AND AID FOR FACILITIES.]

Subdivision 1. [CITY AND COUNCIL CONTRACTS.] The city or the council, collectively or individually, may enter into contracts with either the commission or board to exercise any power of the commission or board, granted under sections 1 to 8 or to perform any activity in which the commission or board may engage under sections 1 to 8. The city or the council may pledge, lease, sell, or transfer to, or lease, purchase, or acquire from the commission all or part of any convention facilities, related facilities, sports facilities, or property to be used or useful in these facilities or for their financing on the terms and conditions their governing bodies shall determine, but subject to the approval of the commission in regard to its properties. The city and council may exercise all powers conferred upon them by law to carry out the contracts.

Subd. 2. [PARTICIPATION BY THE CITY.] Before or after issuance of bonds pursuant to sections 1 to 8, the city may incur or pay costs relating to preliminary architectural, design, engineering, planning, financial, and legal services relevant to the acquisition, financing, construction, or operation of convention facilities and related facilities. The commission shall reimburse the city or otherwise pay for the costs in an amount up to \$300,000, but only to the extent of amounts received pursuant to section 6, subdivision 3. The city shall at the request of the council pay or reimburse the council for the payment of any costs incurred by the council with the prior approval of the city in connection with the financing of the convention facilities or any related facilities. The city may provide or pledge funds to pay all or part of the cost of acquisition and betterment of the convention facilities, related facilities or sports facilities, including any debt service or other borrowing costs incurred and costs relating to related refunding obligations. The city may provide or pledge funds to pay all or part of the costs to be incurred for the operation, leasing, maintenance, administration, or promotion of the convention facilities, or related facilities. Funds may be paid to the commission or the board for the purposes of this section. Funds referred to in this section are all money of the city not required by law or contract to be otherwise applied, and may include the proceeds of the tax levied pursuant to subdivision 7 and tax increments available to the city under any law and not required by contract or pledge to be otherwise applied. The acquisition and betterment of all or part of the convention facilities, any related facilities, or sports facilities, including any debt service or rental payments with respect to them, shall be a project for purposes of sections 273.71 to 273.78, and the costs related to the project shall constitute costs of redevelopment with respect to any industrial development district located in the city pursuant to chapter 458, public redevelopment costs of any project located in the city pursuant to chapter 462, capital and administration costs of any development district located in the city pursuant to chapter 472A and costs of the type referred to in Laws 1971, chapter 677, section 7, paragraph (c), with respect to any development district established pursuant to Laws 1971, chapter 677. The city may pledge or apply or, if the council is the issuer, enter into an agreement with the council pledging or applying any or all such tax incre-

ments to the payment of principal of, premium, if any, and interest on bonds issued pursuant to this section throughout the term of the bonds.

Subd. 3. [BONDS.] Subject to this section, the city may by resolution authorize, sell, and issue its bonds to finance all or a portion of the costs of acquisition or betterment of the convention facilities. Subject to this section, if the city council of the city should determine not to issue bonds to fund all costs for the acquisition and betterment of the convention facilities, the council, upon notice of the determination, shall by resolution authorize, sell, and issue its bonds to finance the costs not so financed by the city. Either or both of the city and the council may also authorize, sell, and issue bonds to finance the costs of acquisition and betterment of related facilities or sports facilities or to refund in accordance with section 475.67 bonds issued pursuant to this section or section 473.581. Before the city or the council issue bonds under this section, the commissioner of finance shall review the principal amount, terms, and conditions of the issuance. The bonds issued by the council shall be general obligation bonds, and bonds issued by the city may, but need not, be general obligations. If bonds are general obligations, taxes for them shall be levied and canceled in accordance with section 475.61 or section 6, as applicable. Bonds issued by the city may be limited obligations made payable from any or all funds available to the city, funds of the commission or the board (but only with the consent of the commission), taxes levied under subdivision 6 and appropriations received under section 6. Bonds issued by the council may also be payable from taxes levied under subdivision 7, appropriations received under section 6, and tax increments of the city. The bonds may be issued in one or more series and sold without election at public or private sale and at the price the issuer may determine. The bonds shall be secured, bear the interest rate or rates, have the rank or priority, be executed in the manner, be payable in the manner, mature and be subject to the redemptions, repurchases, tender options or other terms as the issuer may determine. The issuer may enter into and perform all contracts deemed necessary or desirable by it to issue the bonds and apply the proceeds of the bonds, including an indenture of trust with a trustee within or without the state and any related collateral security agreements. The resolution or indenture pursuant to which the bonds are issued may have the provisions and terms deemed necessary or desirable by the issuer to pay or secure payment of the bonds, to apply the proceeds of the bonds, or to aid the issuance or sale of the bonds or the acquisition or betterment of the facilities financed by them. In addition to other provisions, the resolution or indenture may provide for:

- (a) the escrow, pledge, application, and disbursement of any bond proceeds or other funds;*
- (b) the mortgage or pledge of any funds or property;*
- (c) the custody, collection, securing, investment, payment, or transfer of any funds or property;*
- (d) the creation and maintenance of any reserves, sinking funds, or other special funds;*
- (e) the manner of amending the resolution or indenture;*
- (f) events of default and remedies for defaults;*

(g) the maintenance of insurance and application of insurance proceeds; and

(h) the appointment, duties, and rights of any trustee, paying agent, receiver, or other fiduciary and their successors.

Bond proceeds for the acquisition or betterment of convention facilities, net of issuance costs, reserves, and proceeds for the payment of interest on the bonds shall be loaned or otherwise deposited for the benefit of the commission or the board. Any cost of acquisition and betterment referred to in sections 1 to 8 shall include all costs of acquisition or betterment referred to in section 475.65, capitalized interest for a period not longer than 36 months, any underwriter's discount, reserves for debt service, repair, or operations or costs for credit enhancement of the bonds. The debt represented by the bonds shall not be included in computing any debt limitation applicable to the city, the council, or any county and any levy of taxes required by section 475.61 or section 6 to pay the principal of and interest on the bonds shall not be subject to any levy limitation or be included in computing or applying any levy limitation applicable to the city, the council, or any county. Subject to this section, bonds authorized by this section shall be sold, issued, and secured in the manner provided in chapter 475, and the council shall have the same powers and duties as a municipality and its governing body in issuing bonds under that chapter.

Subd. 4. [VARIABLE RATE DEMAND BONDS.] Any bond may be issued pursuant to this section giving the owner of the bond the right to tender or the issuer of the bonds to demand tender of the bond to the issuer, or other person designated by the issuer, for purchase by the issuer or the person at the time or times determined by the issuer, if the issuer has first entered into an agreement with a financial institution obligating the financial institution to provide funds on a timely basis for purchase of bonds tendered to the issuer. The purchase of any tendered bonds by or on behalf of the issuer shall not be deemed a payment or discharge of the bonds. Bonds tendered for purchase may be remarketed by or on behalf of the issuer or any other purchaser. The issuer may enter into agreements deemed necessary or appropriate to provide for the purchase of tendered bonds, including provisions under which undelivered bonds may be deemed tendered for purchase and new bonds may be substituted for them, the reimbursement to any person of amounts provided to purchase tendered bonds, the remarketing of tendered bonds, and similar or related agreements. Bonds subject to tender for purchase shall not be deemed to mature within the meaning of section 475.54, subdivision 1, on any date for tender. Any bond may bear interest at a rate varying at the time or times and on the terms, including convertibility to a fixed rate of interest, determined by the issuer, but with respect to any general obligation bonds the rate of interest for any period shall not exceed the maximum rate of interest for the bonds determined in accordance with section 475.55, subdivision 1. For purposes of section 475.61, subdivisions 1 and 3, and section 6, subdivisions 1 and 2, the interest payable on such variable rate general obligation bonds for the term of the bonds shall be determined as if the rate of interest on the bonds is the maximum rate permitted for the bonds under section 475.55, subdivision 1, or the lesser maximum rate of interest payable on the bonds in accordance with their terms, but if the interest rate is subsequently converted to a fixed rate the levy may

be modified to provide at least five percent in excess of amounts necessary to pay principal of and interest at the fixed rate on the bonds when due.

Subd. 5. [LIMITATIONS.] (a) No bonds may be issued under this section for the initial construction or improvement of the convention facilities unless the commission has determined that all conditions to commencement of construction provided in section 2, subdivision 8, are reasonably expected to be satisfied.

(b) No bonds may be issued under this section for construction or improvement of the convention facilities unless the issuer and the commission have each determined that the anticipated revenue available to pay the principal of, premium, if any, and interest on the bonds will be sufficient to pay when due all such debt service on the bonds and to maintain any required debt service reserves.

(c) No bonds issued by the council are required to be issued under this section unless the council has determined that it reasonably expects that any appropriations to be made under section 6 and deposited in the debt service account for the bonds, together with any taxes levied under subdivision 7 or tax increments from the city which are irrevocably pledged or appropriated to the payment of principal of, premium, if any, and interest on the bonds, will be sufficient if timely deposited (i) to pay when due all such debt service on the bonds, (ii) to maintain any required debt service reserves, (iii) to provide additional debt service coverage satisfactory to the council, and (iv) to permit cancellation of any levy made pursuant to section 6, subdivision 1, for each year during the term of the bonds in accordance with section 6, subdivision 2.

(d) No bonds may be issued by the council under this section unless the city and the commission consent to the bond resolution or indenture pursuant to which the bonds are issued.

Any written determination pursuant to this subdivision shall be conclusive and the validity of any bonds or the obligations of the issuer or any other person or body with respect to them shall not be impaired by any determination which is erroneous.

Subd. 6. [SECURITY.] The pledge of any tax or other funds to the payment of principal of, premium, if any, or interest on bonds pursuant to this section or pursuant to a bond resolution or trust indenture shall be a valid charge on the tax and other funds from the date when bonds are first issued or secured under the resolution or indenture and shall secure the payment of principal and interest and redemption premium due and the maintenance at all times of any reserves securing the payment. Except by express mortgage or pledge, no mortgage of or security interest in any tangible real or personal property shall arise from the pledge of the tax or other funds in favor of bondholders or the trustee, but they shall have a valid security interest in the tax and other funds received and receivable, as against the claims of all other persons in tort, contract or otherwise, irrespective of whether the parties have notice of it, and without possession or filing as provided in the uniform commercial code or any other law. Any covenants made in the bond resolution or trust indenture (if approved by the commission or board, respectively) shall be binding upon the commission and the board, respectively, and the board and commission may observe and perform the cove-

nants. The commission and the board may pledge or apply any or all of their property or funds available to them to the payment of principal of, premium, if any, and interest on the bonds. No pledge, mortgage, covenant, or agreement securing bonds issued pursuant to this section may be impaired, revoked, amended by law, or by action of the city, council, commission, or board except in accordance with the terms of the resolution or indenture under which the bonds are issued until the obligations of the issuer under it are fully discharged.

Subd. 7. [LIQUOR AND LODGING TAXES.] The city may, in addition to taxes authorized by chapter 297A and section 473.592, levy a sales tax of not more than four percent on the gross receipts described in section 473.592 from sales that occur within two miles of the facility site and not more than two percent from sales that occur elsewhere in the city to provide money for the purposes stated in subdivision 1 or this subdivision. Before the issuance of any bonds under this section payable from the tax, the city shall levy the tax at whatever rate or rates are necessary to produce revenues from year to year which are determined by the issuer of the bonds to be required, together with all other funds available for the purpose or pledged to the payment of principal of, premium, if any, and interest on the bonds, to pay when due all such debt service on the bonds and to accumulate and maintain any debt service reserves for them. If the city is not the issuer, the city shall pay to the issuer the proceeds of the tax required to be so levied. The tax required to be imposed by the preceding sentence shall be suspended, reimposed, reduced, or increased upon the determination of the issuer, and if the issuer is not the city, written notice of the determination by the issuer to the city that the actions are necessary or appropriate for the purposes for which the tax was imposed, provided that the covenants in the resolution or indenture of trust pursuant to which the bonds were issued are not violated by the action. The tax shall be collected and remitted as provided in section 473.592, except the commissioner of revenue shall remit collections, less refunds and collection costs, to the city for application as required by this subdivision. When the purpose for which the tax is levied has been accomplished, the tax shall be canceled and any excess tax proceeds paid to the city. If the issuer of any bonds payable from or secured in whole or part by the tax is the council, before issuance of bonds under this subdivision, an agreement shall be entered into between the city, the council, and the commission implementing this subdivision, and the agreement shall constitute a contract with and for the benefit and security of all holders of the bonds.

Sec. 6. [473.5966] [COUNCIL TAX AND STATE APPROPRIATION.]

Subdivision 1. [TAX LEVY.] Section 475.61 shall not apply to general obligation bonds issued by the council pursuant to section 5. Before issuance and delivery of general obligation bonds or the pledge of taxes to pay any bonds pursuant to subdivision 4, in accordance with section 473.08 and this section, the metropolitan council shall by resolution levy a direct general ad valorem tax upon all taxable property in the metropolitan counties named in section 473.121 to be levied and collected for each year of the term of the bonds. The tax levies for all years shall be in amounts that if collected in full they, together with any other estimated collection of funds pledged for their payment, will produce at least five percent in excess of the amount needed to pay when due the principal of and interest on the bonds. The resolution of the

council shall irrevocably appropriate taxes levied to a debt service fund created for the payment of the bonds.

Subd. 2. [LEVY REDUCTION.] Tax levies imposed pursuant to subdivision 1 shall be irrevocable, except that if amounts are deposited in the debt service fund for the applicable bonds pursuant to appropriation under subdivision 3 or other amounts are held in the debt service fund in excess of all principal and interest coming due on the applicable bonds before the council's expected receipt of taxes levied for them, no earlier than October 1 or later than October 10 of each year, the secretary of the council shall certify to the auditor of each county the county's share of the excess, which shall be in proportion to the share of the levy borne by the county, and the auditor shall reduce the county's next levy by 105 percent of that amount and the treasurer may reduce by 105 percent of that amount the taxes otherwise required to be remitted to the council.

Subd. 3. [STATE APPROPRIATION.] \$6,000,000 is appropriated from the general fund of the state treasury to be paid to the board on or before July 1, 1985, for the board's preconstruction costs and other initial operating costs, with any amounts not expected to be so applied to be provided to the commission for any convention facilities operating reserve. \$6,000,000 is annually appropriated to the board on July 1, 1986, and each following July 1 from the general fund, of which an amount equal to the scheduled payment of principal and interest coming due in the following calendar year on any bonds payable from receipts from this appropriation shall be deposited in the debt service fund for the bonds, (or the lesser amount as determined by the resolution or indenture pursuant to which the bonds were issued) and the remainder shall be remitted to the commission for any of its or the board's purposes. This subdivision does not constitute a binding covenant or agreement with the council, the city, the commission or the holders of any bonds issued under sections 1 to 8 or a debt or obligation of the state and may be repealed, amended, or modified in accordance with law.

Subd. 4. [MODIFICATIONS REGARDING PRIOR BONDS.] The council may by resolution pledge the tax authorized by subdivision 1 to pay when due the principal of, premium, if any, and interest on all bonds issued pursuant to section 473.581, but only upon the release of (a) all security interests, pledges, and restrictions on encumbrances or transfer of sports facilities owned by the commission created in favor of or for the benefit of holders of the issue of bonds or (b) all pledges to pay the debt service or costs of the commission from taxes levied under section 473.592, subdivision 1. The releases shall occur upon the written consent of all holders of bonds of the issue, notwithstanding any other law. Upon the release of the pledge of taxes levied pursuant to section 473.592, subdivision 1, the taxes shall not be imposed for payment of the debt service and any pledge or application of the taxes for payment of the debt service or maintenance of a reserve for the issue required under section 473.581, subdivision 4, shall be repealed. Any pledge by the council under this subdivision may be made without election and shall not be included in the net debt of any city, county, or other subdivision of the state for the purpose of any debt limitation. Upon the pledge of taxes for payment of an issue of bonds pursuant to this subdivision, with the consent of all holders of the issue, any reserves or other funds pledged to secure the issue may be reduced or eliminated by the council and the funds so

released remitted to the commission.

Sec. 7. [473.5967] [PROPERTY TAX EXEMPT.]

Any real or personal property acquired, owned, and used, by the commission, board, the council, or the city pursuant to sections 1 to 8 is exempt from taxation to the same extent as property referred to under section 473.556, subdivision 4.

Sec. 8. [473.5968] [POWERS GRANTED HEREIN NOT LIMITED.]

Except as specifically provided in sections 1 to 7, the exercise of the powers granted in sections 1 to 7 shall not be limited by the provisions of chapters 273, 462, 472A, 475, or of any city charter.

Sec. 9. [NAME CHANGE.]

The metropolitan sports facilities commission is renamed the Minnesota sports and convention facilities commission. The revisor of statutes shall change the name of the commission and any related terms accordingly wherever they appear in Minnesota Statutes.

Sec. 10. [EFFECTIVE DATE.]

Sections 1 to 9 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington and are effective the day after final enactment without the approval of any local governmental unit."

Delete the title and insert:

"A bill for an act relating to a Minnesota convention facility and related facilities; authorizing the metropolitan council and the city of Minneapolis to appropriate and borrow money and levy taxes for this purpose; renaming the metropolitan sports facility commission the Minnesota sports and convention facilities commission; authorizing the commission to acquire, own, lease, control, operate, and maintain convention and trade show facilities and related facilities in the city of Minneapolis and to expend certain money for such purposes; authorizing the commission to exercise eminent domain; authorizing the city of Minneapolis and the metropolitan council to issue bonds to finance the acquisition and betterment of convention and trade show facilities and related facilities or to refund outstanding bonds issued to finance certain sports facilities; establishing a convention construction board to design, construct, improve, and equip a convention center and trade show facility; authorizing the transfer of certain city property and employees to the commission; authorizing the city to expend and pledge certain funds, including taxes and tax increments, for commission purposes, debt service, and other purposes; authorizing the city and the metropolitan council to contract with the commission and to exercise powers of the commission and perform other acts; authorizing the city to levy and collect certain taxes; authorizing the council to levy taxes on real property in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington; authorizing the council to modify covenants concerning certain prior bonds; providing a property tax exemption for the facility; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 473."

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

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

S.F. No. 928: A bill for an act relating to occupations and professions; providing for licensure of persons engaged in the sale of hearing instruments; requiring the commissioner of health to reconsider the application of speech language pathologists and audiologists for credentialing; appropriating money; providing penalties; proposing coding for new law as Minnesota Statutes, chapter 153A.

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

Delete everything after the enacting clause and insert:

“Section 1. [153A.01] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] For the purposes of sections 1 to 12, the terms defined in this section have the meanings given to them.

Subd. 2. [HEARING INSTRUMENT.] “Hearing instrument” means an instrument designed for or represented as aiding defective human hearing, and its parts, attachments, or accessories, including but not limited to ear molds. Batteries and cords are not parts, attachments, or accessories of a hearing instrument. Surgically implanted hearing instruments, and assistive listening devices that do not require testing, fitting, or the use of ear molds and are not worn within the ear canal, are not hearing instruments.

Subd. 3. [HEARING INSTRUMENT DISPENSER.] “Hearing instrument dispenser” means a natural person who engages in hearing instrument dispensing.

Subd. 4. [HEARING INSTRUMENT DISPENSING.] “Hearing instrument dispensing” means fitting and dispensing hearing instruments, assisting the consumer in instrument selection, selling hearing instruments at retail, and testing human hearing in connection with these activities.

Subd. 5. [COMMISSIONER.] “Commissioner” means the commissioner of commerce.

Sec. 2. [153A.02] [POWERS AND DUTIES.]

Subdivision 1. [REGULATION.] The commissioner shall:

- (1) regulate hearing instrument dispensing;*
- (2) examine applicants for a hearing instrument dispensing license and grant licenses to qualified applicants;*
- (3) deny, suspend, or revoke a license on any of the following grounds:*
 - (a) fraud or deception in obtaining a license or in the practice of hearing instrument dispensing;*
 - (b) conviction of a felony;*
 - (c) conviction of an offense involving moral turpitude;*
 - (d) employing, assisting, or enabling in any manner an unlicensed person to engage in hearing instrument dispensing;*
 - (e) violation of sections 1 to 12 or rules adopted under these sections;*

(4) ensure that hearing instruments are dispensed in compliance with the requirements of the United States Food and Drug Administration;

(5) perform any other duties and exercise other powers required by sections 1 to 12; and

(6) adopt rules to implement sections 1 to 12.

Subd. 2. [CONTESTED CASES.] *The commissioner shall comply with the contested case provisions of chapter 13 when suspending, revoking, or failing to issue a license under sections 1 to 12.*

Subd. 3. [REINSTATEMENT OF LICENSE.] *A license that has been suspended or revoked may be reinstated by the commissioner if the former licensee pays all costs of the proceedings that resulted in the suspension or revocation and a fee set by the commissioner.*

Sec. 3. [153A.03] [EXEMPTIONS.]

Persons licensed under chapter 147 and audiologists who hold the certificate of clinical competence of the American Speech, Language, and Hearing Association are exempt from examination and education requirements under sections 1 to 12. These persons must obtain a license and pay a fee determined by the commissioner, but sections 1 to 12 do not otherwise preclude or limit the testing of hearing by these persons.

Sec. 4. [153A.04] [PROHIBITED ACTS; ENFORCEMENT; PENALTY.]

Subdivision 1. [PROHIBITED ACTS.] A person must not:

(1) *engage in hearing instrument dispensing without a current license;*

(2) *falsely assume or pretend to the title of hearing instrument dispenser;*

(3) *receive any portion of the profits from the fitting, dispensing, or sale of hearing instruments at retail unless the person is licensed under sections 1 to 12 or employs a person licensed under sections 1 to 12;*

(4) *conduct a business engaged in hearing instrument dispensing except under the direction of a licensed hearing instrument dispenser, audiologist, or person licensed under chapter 147;*

(5) *engage in hearing instrument dispensing exclusively by telephone or mail, or both; or*

(6) *prescribe or otherwise recommend to any person the use of a hearing instrument unless the prescription or recommendation is in writing, is delivered to the person to whom it relates, and bears the following information in 12 point or larger bold type: "HEARING INSTRUMENTS MAY BE PURCHASED FROM ANY LICENSED HEARING INSTRUMENT DISPENSER OR PHYSICIAN. THIS PRESCRIPTION MAY BE FILLED BY THE DISPENSER OR PHYSICIAN OF YOUR CHOICE." A prescription or written recommendation must include, upon patient authorization, an audiogram upon which the prescription or recommendation is based.*

Subd. 2. [ENFORCEMENT.] *The attorney general shall enforce this section in the manner provided by section 8.31, except that there is no private remedy as provided by section 8.31, subdivision 3a.*

Subd. 3. [PENALTY.] A person violating this section is guilty of a misdemeanor.

Sec. 5. [153A.05] [EXAMINATIONS; FEES.]

The commissioner shall give reasonable notice of all examinations by mail to known applicants. Testing must occur at least three times annually at intervals no greater than five calendar months. The commissioner shall record the names of persons licensed as hearing instrument dispensers and the grounds upon which the right of each to licensure was claimed. The commissioner may establish a fee under section 16A.128 to cover the cost of the examination. Fee receipts must be deposited in the state treasury and credited to the special revenue fund. The fee may, in the discretion of the commissioner, be returned to applicants who do not take the examination.

Sec. 6. [153A.06] [CONTENTS OF EXAMINATION.]

Examinations for licensure as a hearing instrument dispenser must consist of written, oral, and practical tests. The tests must be objective and applied in a consistent manner. The tests must include the following subjects: (1) basic physics of sound; (2) the structure and function of hearing instruments; (3) the fitting of hearing instruments; (4) puretone audiometry, including air conduction testing and bone conduction testing; (5) live voice or record voice speech audiometry, or both; (6) recording and evaluation of audiograms and speech audiometry to determine the hearing instrument candidacy; (7) selection and adaptation of hearing instruments; (8) the taking of ear mold impressions; (9) indications suggesting the need for referral to competent medical personnel for diagnosis or treatment of a disease or injury; and (10) knowledge of the federal and state laws regarding hearing instrument dispensing. The examination must not test knowledge of the diagnosis or treatment of a disease or injury to the human body. The commissioner shall consult with the commissioner of health, otolaryngologists, audiologists and hearing instrument dispensers in connection with preparation of the examination.

Sec. 7. [153A.07] [QUALIFICATIONS OF APPLICANTS.]

In order to be examined as a hearing instrument dispenser, an applicant must be of good moral character, be at least 18 years old, and meet educational criteria for licensure established by the commissioner.

Sec. 8. [153A.08] [RECIPROCITY; LICENSURE.]

The commissioner may grant a license without an examination to a hearing instrument dispenser licensed by another state that gives similar recognition to licensees of this state, if the commissioner finds that the requirements for licensure in the other state are equivalent to those provided in sections 1 to 12. The commissioner may set the fee for licensure by rule.

Sec. 9. [153A.09] [BOND REQUIRED.]

A sole proprietor, partnership, association, or corporation engaged in hearing instrument dispensing shall provide a surety bond in favor of the state of Minnesota in the amount of \$10,000 for every five or fewer of its licensees engaged in the practice of hearing instrument dispensing, up to a maximum of \$20,000.

Sec. 10. [153A.10] [EXPENSES.]

The expenses of administering sections 1 to 12 must be paid from the appropriations made to the department.

Sec. 11. [153A.11] [ADVERTISING.]

The commissioner shall adopt rules concerning advertising of the fitting, dispensing, and sale of hearing instruments. The rules must not:

- (1) restrict the use of any medium for advertising;*
- (2) restrict a licensee's personal appearance or voice in an advertisement;*
- (3) relate to the size or duration of an advertisement; or*
- (4) restrict advertisement under a trade name.*

Sec. 12. [153A.12] [INTERNSHIP.]

The commissioner shall license as an intern any natural person who has satisfied the commissioner that the person is of good moral character, is not physically or mentally unfit, and meets the requirements for intern licensure prescribed by the commissioner. The intern must be supervised by a licensed hearing instrument dispenser. A person must not be licensed as an intern for more than 12 calendar months and the license must not be renewed or otherwise extended by the commissioner. No more than three intern licensees may hold an intern license to practice hearing instrument dispensing under the supervision of a single licensed hearing instrument dispenser. A document evidencing the fitting, selection, sale, or delivery of a hearing instrument at retail must bear the name of the supervising licensee in addition to the name of the intern involved in the transaction.

Sec. 13. [CREDENTIALING STUDY.]

The commissioner of health shall reconsider the application of speech language pathologists and audiologists for credentialing. The reconsideration must be conducted according to section 214.13 and must be conducted before considering any application for credentialing received after July 1, 1984. The commissioner of health shall include a study of hearing instrument dispensing by physicians, audiologists, and hearing instrument dispensers in connection with the application. The commissioner of commerce shall cooperate with the commissioner of health with respect to the study of the dispensing of hearing instruments.

Sec. 14. [REPEALER.]

Sections 1 to 12 are repealed effective July 1, 1987.

Sec. 15. [APPROPRIATION.]

\$50,000 is appropriated from the special revenue fund to the commissioner of commerce for purposes of sections 1 to 12, to be available until June 30, 1987.

Sec. 16. [EFFECTIVE DATES.]

Sections 1 to 3; section 4, subdivisions 1 and 2; and sections 5 to 13 are effective July 1, 1985. Section 4, subdivision 3, is effective July 1, 1986."

Amend the title as follows:

Page 1, line 7, delete "penalties" and insert "a penalty"

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. 119: A bill for an act relating to state government; creating the Council on Asian-Pacific Minnesotans; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 3.

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

Page 4, line 13, after the dollar sign, insert "*200,000*"

Page 4, line 16, after the period, insert "*Ten percent of this amount must be matched dollar-for-dollar by nonstate contributions.*"

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. 492: A bill for an act relating to veterans; requiring the commissioner of veterans affairs to provide certain grave markers; appropriating money; amending Minnesota Statutes 1984, section 197.23.

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

Page 2, line 6, after the dollar sign, insert "*42,000*"

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. 588: A bill for an act relating to the University of Minnesota; appropriating money for road improvements in the city of Falcon Heights.

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

Page 1, line 8, after the dollar sign, insert "*200,000*"

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. 1639 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.
				1639	1524

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

mends that H.F. No. 1639 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1639 and insert the language after the enacting clause of S.F. No. 1524, the first engrossment; further, delete the title of H.F. No. 1639 and insert the title of S.F. No. 1524, the first engrossment.

And when so amended H.F. No. 1639 will be identical to S.F. No. 1524, and further recommends that H.F. No. 1639 be given its second reading and substituted for S.F. No. 1524, 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. 905, 1455, 1512, 928, 119, 492 and 588 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 1639 was read the second time.

MOTIONS AND RESOLUTIONS

Mr. Wegscheid moved that the name of Mrs. Adkins be added as a co-author to S.F. No. 151. The motion prevailed.

Mr. Frederick introduced—

Senate Resolution No. 87: A Senate resolution congratulating the Owatonna Christian School for its successful participation at competitive events of the American Association of Christian Schools National Convention.

Referred to the Committee on Rules and Administration.

Mr. Spear moved that S.F. No. 1027, No. 31 on General Orders, be stricken and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Spear moved that S.F. No. 1026, No. 35 on General Orders, be stricken and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Spear moved that S.F. No. 283, No. 48 on General Orders, be stricken and re-referred to the Committee on Public Utilities and State Regulated Industries. The motion prevailed.

Mr. Frank moved that S.F. No. 1043, No. 3 on General Orders, be stricken and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Willet moved that S.F. No. 1051, No. 50 on General Orders, be stricken and re-referred to the Committee on Economic Development and Commerce. The motion prevailed.

Mr. Willet moved that S.F. No. 1050, No. 52 on General Orders, be stricken and re-referred to the Committee on Health and Human Services. The motion prevailed.

Mr. Willet moved that S.F. No. 846, No. 57 on General Orders, be stricken and re-referred to the Committee on Agriculture and Natural Resources. The motion prevailed.

Mr. Willet moved that S.F. No. 1091, No. 61 on General Orders, be stricken and re-referred to the Committee on Agriculture and Natural Resources. The motion prevailed.

Mr. Frederickson moved that S.F. No. 778, No. 10 on General Orders, be stricken and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Frederickson moved that S.F. No. 467, No. 30 on General Orders, be stricken and re-referred to the Committee on Governmental Operations. The motion prevailed.

Mr. Frederickson moved that S.F. No. 1151, No. 45 on General Orders, be stricken and re-referred to the Committee on Elections and Ethics. The motion prevailed.

Mr. Solon moved that S.F. No. 756, No. 58 on General Orders, be stricken and re-referred to the Committee on Economic Development and Commerce. The motion prevailed.

Mr. Vega moved that S.F. No. 1270, No. 79 on General Orders, be stricken and re-referred to the Committee on Energy and Housing. The motion prevailed.

Mr. Vega moved that S.F. No. 1189, No. 55 on General Orders, be stricken and re-referred to the Committee on Energy and Housing. The motion prevailed.

Ms. Peterson, D.C. moved that S.F. No. 1007, No. 26 on General Orders, be stricken and re-referred to the Committee on Economic Development and Commerce. The motion prevailed.

Mr. Purfeerst moved that S.F. No. 1192, No. 81 on General Orders, be stricken and re-referred to the Committee on Education. The motion prevailed.

Mr. Chmielewski moved that S.F. No. 193, No. 17 on General Orders, be stricken and re-referred to the Committee on Economic Development and Commerce. The motion prevailed.

Mr. Chmielewski moved that S.F. No. 1064, No. 129 on General Orders, be stricken and re-referred to the Committee on Local and Urban Government. The motion prevailed.

Mr. Davis moved that S.F. No. 598, No. 49 on General Orders, be stricken and re-referred to the Committee on Agriculture and Natural Resources. The motion prevailed.

Mr. Solon moved that S.F. No. 769, No. 9 on General Orders, be stricken and re-referred to the Committee on Economic Development and Commerce. The motion prevailed.

Mr. Solon moved that S.F. No. 1262, No. 38 on General Orders, be stricken and re-referred to the Committee on Economic Development and Commerce. The motion prevailed.

Mr. Peterson, R.W. moved that S.F. No. 931, No. 66 on General Orders, be stricken and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Chmielewski moved that S.F. No. 1375, No. 78 on General Orders, be stricken and re-referred to the Committee on Agriculture and Natural Resources. The motion prevailed.

Mr. Chmielewski moved that S.F. No. 749, No. 86 on General Orders, be stricken and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Jude moved that S.F. No. 835, No. 32 on General Orders, be stricken and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Diessner moved that S.F. No. 823, No. 5 on General Orders, be stricken and re-referred to the Committee on Employment. The motion prevailed.

Mr. Diessner moved that S.F. No. 188, No. 39 on General Orders, be stricken and re-referred to the Committee on Employment. The motion prevailed.

Mr. Dahl moved that S.F. No. 853, No. 15 on General Orders, be stricken and re-referred to the Committee on Transportation. The motion prevailed.

Mr. Anderson moved that S.F. No. 1165, No. 56 on General Orders, be stricken and re-referred to the Committee on Local and Urban Government. The motion prevailed.

Mr. Dahl moved that S.F. No. 584, No. 37 on General Orders, be stricken and re-referred to the Committee on Economic Development and Commerce. The motion prevailed.

Mr. Nelson moved that H.F. No. 88 be taken from the table. The motion prevailed.

H.F. No. 88: A bill for an act relating to education; providing for aids to education, aids to libraries, state payments for teacher retirement contributions, and the distribution of tax revenues; granting certain powers and duties to school boards, school districts, the state board of education, the board of teaching, and the higher education coordinating board; modifying certain components of foundation aid; modifying the basic maintenance mill rate; modifying computation of pupil units; repealing revenue equity; modifying the computation of summer program aid, transportation aid, special education aid, secondary vocational aid, and other aids; establishing an aid and levy formula for excellence in teaching and curriculum; providing for a temporary definition of school bus; providing for measurement of pupil progress; establishing mastery learning pilot projects; requiring state board of teaching to field test plans for assessment of new teachers; appropriating money; amending Minnesota Statutes 1984, sections 120.06, subdivision 1; 120.10, subdivision 1; 120.11; 120.15; 120.17, subdivision 3, and by adding a subdivision; 121.88; 121.882, subdivision 2, and by adding a subdivision;

121.904, subdivisions 4a and 4c; 121.912, subdivision 1; 122.86, subdivision 1; 123.33, by adding a subdivision; 123.36, subdivision 1; 123.58, by adding a subdivision; 123.705, subdivision 1; 123.742, subdivision 7, and by adding subdivisions; 123.7431, subdivision 1; 124.09; 124.14, subdivision 4; 124.17, by adding subdivisions; 124.19, subdivision 1; 124.195, subdivision 9; 124.2138, subdivision 2; 124.223; 124.225, subdivisions 1, 3, 4b, 7a, 7b, 8a, 8b, and 10; 124.246, subdivision 2; 124.247, subdivision 3; 124.26, subdivisions 1 and 6; 124.271, subdivision 2b, and by adding a subdivision; 124.2711, subdivision 1; 124.272, subdivision 3; 124.273, subdivision 1b; 124.32, subdivisions 1b, 1d, 2, 5, and 10; 124.48, by adding a subdivision; 124.573, subdivision 2; 124.574, subdivision 2b; 124.646, subdivision 1; 124A.02, subdivisions 6, 7, 8, 9, 16, and by adding a subdivision; 124A.03, subdivisions 3, 4, and by adding a subdivision; 124A.033, subdivisions 2 and 3, and by adding a subdivision; 124A.037; 124A.06, subdivisions 1 and 3a; 124A.08, subdivisions 3a and 5; 124A.10, subdivision 3a; 124A.12, subdivision 3a; 124A.14, subdivision 5a; 124A.16, subdivisions 2 and 4; 125.05, subdivisions 1 and 5; 125.12, by adding a subdivision; 125.17, by adding a subdivision; 125.185, subdivision 4; 125.60, subdivisions 3 and 7; 126.64, subdivision 2; 129B.17; 129B.20; 129B.21; 129B.35; 129B.36; 129B.38, subdivision 1; 129B.39; 129B.40; 134.31, subdivisions 2 and 3; 134.35; 134.351, subdivision 1; 136D.27; 136D.74, subdivision 2; 136D.87; 275.125, subdivisions 5b, 5d, 8, 8a, and 8b, and by adding subdivisions; 290.06, by adding a subdivision; 298.28, subdivision 1; 354.06, subdivision 1; 354.43, subdivision 3; 354A.12, subdivision 2; 355.208; 355.209; 355.287; 355.288; 355.46, subdivision 3; and Laws 1973, chapter 683, section 26; subdivision 17, as amended; Laws 1984, chapter 463, article 9, section 9; proposing coding for new law in Minnesota Statutes, chapters 121; 123; 124; 124A; 126; 129B; 134; and 136A; repealing Minnesota Statutes 1984, sections 120.17, subdivision 1a; 120.172, subdivision 3; 122.84; 122.85; 122.89; 123.3511; 123.3512; 123.3513; 124.201, subdivisions 3, 4, and 5; 124.2138, subdivision 2; 124.225, subdivisions 4a, 8c, 8d, 8e, 8f, 8g, and 8h; 124.247, subdivision 6; 124.271, subdivisions 2 and 2a; 124.273, subdivisions 2b and 5; 124.32, subdivision 9a; 124A.03, subdivision 5; 124A.035, subdivision 6; 124A.037; 125.611, subdivisions 3; 4, 5, 6, and 7; 126.64, subdivision 1; 129B.03; 129B.33; 129B.34; 275.125, subdivision 2j; 354.43, subdivisions 1, 4, and 5; 354A.12, subdivision 3; 355.46, subdivisions 1, 2, and 5; and 355.47.

SUSPENSION OF RULES

Mr. Nelson moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 88 and that the rules of the Senate be so far suspended as to give H.F. No. 88 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 88 was read the second time.

Mr. Nelson moved to amend H.F. No. 88 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 88, and insert the language after the enacting clause, and the title, of S.F. No. 172, the fourth engrossment.

The motion prevailed. So the amendment was adopted.

H.F. No. 88 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 35 and nays 31, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Luther	Peterson, C.C.	Samuelson
Berglin	Gustafson	Merriam	Peterson, D.C.	Schmitz
Bertram	Hughes	Moe, D. M.	Peterson, D.L.	Solon
Chmielewski	Johnson, D.J.	Moe, R. D.	Peterson, R.W.	Spear
Dahl	Langseth	Nelson	Petty	Stumpf
DeCramer	Lantry	Novak	Pogemiller	Wegscheid
Dicklich	Lessard	Pehler	Purfeerst	Willet

Those who voted in the negative were:

Anderson	Dieterich	Jude	McQuaid	Storm
Belanger	Frank	Kamrath	Mehrkens	Vega
Benson	Frederick	Knaak	Olson	Waldorf
Berg	Frederickson	Knutson	Ramstad	
Bernhagen	Freeman	Kroening	Reichgott	
Brataas	Isackson	Kronebusch	Renneke	
Davis	Johnson, D.E.	Laidig	Sieloff	

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

Mr. Nelson moved that S.F. No. 172, No. 1 on the Calendar, be stricken and laid on the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Langseth moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 1639 and that the rules of the Senate be so far suspended as to give H.F. No. 1639, now on the Calendar, its third reading and place it on its final passage. The motion prevailed.

H.F. No. 1639: A bill for an act relating to state government; appropriating money to the department of transportation and other agencies with certain conditions; modifying agencies and responsibilities; providing for regulation of certain activities and practices; prescribing funds, accounts, bonding, and fees; amending Minnesota Statutes 1984, sections 15.0591, subdivision 2; 17.101, subdivision 2; 17.717, by adding a subdivision; 17A.10, subdivision 2; 17A.11; 25.39, subdivision 4; 138.94; 168.12, subdivisions 1 and 5; 174.32, subdivisions 1, 2, 3, and by adding a subdivision; 299A.01, subdivision 6; 340.14, subdivision 2; 349.12, subdivisions 11, 13, and by adding subdivisions; 349.14; 349.151; 349.16; 349.161; 349.162; 349.17; 349.18, subdivisions 1 and 2; 349.19, subdivisions 5, 6, and by adding a subdivision; 349.20; 349.21; 349.211, subdivisions 3 and 4; 349.213, subdivision 1; 349.214, subdivisions 1 and 2; 349.22, subdivision 2; 349.31, subdivision 1; 352D.02, subdivision 1; 360.024; 473.373, subdivision 4; 473.375, subdivision 4, and by adding a subdivision; 473.38, subdivision 2; 473.384, subdivision 6; 473.386, subdivision 2; 473.388; 473.39; 473.404, subdivision 7; 473.405, subdivision 12; 473.408, subdivision 4, and by adding a subdivi-

sion; 473.435, subdivision 2; 473.446, subdivisions 1, 1a, 2a, and 3; 609.75, subdivision 3; 609.761; proposing coding for new law in Minnesota Statutes, chapters 219; and 473; proposing coding for new law as Minnesota Statutes, chapter 297C; repealing Minnesota Statutes 1984, sections 17.717, subdivision 6; 349.19, subdivision 4; 349.212; 349.213, subdivision 2; 473.373, subdivisions 2 and 7; 473.384, subdivision 7; 473.408, subdivisions 3, 3A, 3B, and 5; 473.436; 473.438; and 473.446, subdivision 6.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Stumpf moved that S.F. No. 1272, No. 96 on General Orders, be stricken and re-referred to the Committee on Local and Urban Government. The motion prevailed.

Mr. Dahl moved that S.F. No. 684, No. 120 on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

Mr. Luther moved that S.F. No. 774, No. 34 on General Orders, be stricken and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Luther moved that S.F. No. 1113, No. 59 on General Orders, be stricken and re-referred to the Committee on Economic Development and Commerce. The motion prevailed.

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

H.F. No. 558: A bill for an act relating to metropolitan government; providing conditions for the disposal of certain sports facilities property; requiring the metropolitan mosquito control district to establish a research program to evaluate the effects of its control program on other fauna; amending Min-

nesota Statutes 1984, sections 473.556, subdivision 6; and 473.704, by adding a subdivision.

Mr. Freeman moved to amend H.F. No. 558, as amended pursuant to Rule 49, adopted by the Senate April 24, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 541.)

Page 2, after line 29, insert:

"Sec. 3. [BLOOMINGTON HIGHWAY IMPROVEMENT.]

Subdivision 1. [CONTRACT AUTHORIZED.] To expedite and facilitate the construction of a highway improvement project on Trunk Highway No. 77 from the intersection of I-494 to the intersection of east 86th street within the city of Bloomington, the city and the commissioner of transportation on behalf of the state may enter into a contract under which the city agrees to advance to the commissioner, in consideration of the undertaking of the project by the state at a time specified in the contract, all or part of the cost of the engineering services, construction, or other costs attributable to the project. The project shall be fully described in the contract, and the advance by the city shall not exceed the total amount of the actual contract prices for performing the work on the project and may be made in installments during the performance of the project, or otherwise, as specified in the contract. The contract may provide for repayment by the state to the city of the principal amount or value of the advance, without interest, in not more than ten annual installments, out of the trunk highway fund. Repayment may commence at the time the state would otherwise have undertaken the project. The cash agreed to be advanced by the city shall not affect the amount otherwise agreed to be paid by the city as its share of the cost of the project. The contract may include all other terms necessary to comply with laws relating to cooperative agreements between the commissioner of transportation and municipalities.

Subd. 2. [BONDS AUTHORIZED.] At any time after a contract has been executed by the commissioner and the city of Bloomington by which the city agrees to advance to the commissioner cash for the purpose stated in subdivision 1, the city council may by resolution issue and sell general obligation bonds of the city in an aggregate amount not exceeding the advance to the commissioner provided for in the contract and the cost of issuing the bonds. The bonds shall be issued and sold in accordance with Minnesota Statutes, chapter 475, except that an election shall not be required to authorize their issuance, and the bonds shall not be included in net debt within the meaning of Minnesota Statutes, section 475.51. Money repaid to the city by the commissioner under the contract may be pledged for payment of principal of and interest on the bonds and shall be credited by the city to a separate fund and used solely to pay principal of and interest on any bonds issued pursuant to this section. With the consent of the commissioner of transportation, the city may use money allotted to it out of municipal state-aid street funds to repay interest on the bonds. The money allotted to the city out of the municipal state-aid street funds may be pledged for payment of interest on the bonds.

Subd. 3. [LOCAL APPROVAL.] This section takes effect the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the

governing body of the city of Bloomington."

Page 2, line 31, delete "*This act applies*" and insert "*Sections 1 and 2 apply*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after the semicolon, insert "permitting the city of Bloomington and the transportation department to contract for a highway improvement;"

The motion prevailed. So the amendment was adopted.

Mr. Moe, D.M. moved to amend H.F. No. 558, as amended pursuant to Rule 49, adopted by the Senate April 24, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 541.)

Page 1, after line 11, insert:

"Section 1. Minnesota Statutes 1984, section 15A.081, subdivision 1, is amended to read:

15A.081 [SALARIES AND SALARY RANGES FOR CERTAIN EMPLOYEES.]

Subdivision 1. The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

	Salary Range Effective July 1, 1983
Commissioner of education;	\$57,500-\$70,000
Commissioner of finance;	
Commissioner of transportation;	
Commissioner of human services;	
Chancellor, community college system;	
Chancellor, state university system;	\$50,000-\$60,000
Director, vocational technical education	
Executive director, state board of investment;	
Commissioner of administration;	
Commissioner of agriculture;	
Commissioner of commerce;	
Commissioner of corrections;	
Commissioner of economic security;	
Commissioner of employee relations;	
Commissioner of energy and economic development;	
Commissioner of health;	
Commissioner of labor and industry;	
Commissioner of natural resources;	
Commissioner of revenue;	
Commissioner of public safety;	
Chairperson, waste management board	

Chief administrative law judge; office of
administrative hearings;
Director, pollution control agency;
Director, state planning agency;
Executive director, higher education
coordinating board;
Executive director, housing finance agency;
Executive director, teacher's
retirement association;
Executive director, state retirement system;
Chairman, metropolitan council;
Chairman, regional transit board;
Commissioner of human rights;
Director, department of public service;
Commissioner of veterans' affairs;
Director, bureau of mediation services;
Commissioner, public utilities commission;
Member, transportation regulation board;
Director, zoological gardens.

\$40,000-\$52,500

Sec. 2. Minnesota Statutes 1984, section 15A.081, is amended by adding a subdivision to read:

Subd. 7a. The governor shall set the salary rate within the range listed below for the part-time positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

Salary Range
Effective
July 1, 1983

Chairman, metropolitan airports commission;
Chairman, metropolitan waste control commission.

\$15,000-\$25,000

Sec. 3. Minnesota Statutes 1984, section 473.129, is amended by adding a subdivision to read:

Subd. 7. [PROCEDURES; ETHICS; ADMINISTRATION.] The council shall adopt uniform standards and procedures for codes of ethics and for other administrative functions of the metropolitan commissions as it finds appropriate.

Sec. 4. Minnesota Statutes 1984, section 473.141, subdivision 9, is amended to read:

Subd. 9. [PERSONNEL CODE; MERIT SYSTEM.] (a) The council shall by resolution adopt guidelines for a personnel code relating to the employees of the commissions, except that nothing in Laws 1974, Chapter 422 shall impair the rights of any commission or employee under sections 473.405 and 473.415. After adoption of the guidelines, each commission shall by resolution adopt a personnel code in general conformance therewith. The code shall include a job classification plan, procedures for employment and promotion of personnel based on merit, procedures for the demotion, suspension or discharge of employees, procedures for hearing grievances, procedures for salary administration, and such other provisions as the council deems

appropriate. In addition, the code shall provide for the development by each commission of affirmative action plans, which shall be submitted for approval to the appropriate agency or office of the state. The plans shall include a yearly progress report to the agency or office. The chief administrator of each commission shall administer the code, and no commission shall take any action inconsistent with the personnel code.

(b) All employees of the commission except those expressly designated for the unclassified service, shall serve in the classified service. The unclassified service shall include: members of the commission, the chief administrator of the commission, all officers of the commission, any employee of the commission who is determined by the commission to have a confidential relationship to the commission or the council; and any employee of the commission expressly exempted from the classified service by law. Each code shall also include procedures for open competitive examinations to test the relative skill or ability of all applicants for positions in the classified service. Such examinations may consist of written or oral tests of the subjective or objective type, physical tests, and practical or demonstration tests for the evaluation of past training and experience. Oral tests may be used to test the applicant's knowledge of the position applied for or his personal fitness for the position. Where there is more than one applicant for a position, each code shall provide for the employment of one of the three applicants best qualified for it.

(c) When a commission employee has been demoted, suspended or dismissed by the chief administrator, he may, within 30 days after such action becomes effective, file with the commission a written request for a hearing showing the position from which he was dismissed, the date of dismissal, and the reason for requesting the hearing, his full name and his present mailing address. Upon receipt of a request for a hearing the commission shall appoint three of its members to act as an appeal committee and preside at a hearing on the action of the administrator. The hearing shall be held within 30 days after the request is received by the commission, upon written notice mailed or delivered to the employee at his present mailing address, not less than seven days before the hearing. The appeal committee shall approve or disapprove the action of the administrator, and in the case of approval the action of the administrator shall be final. In the case of disapproval the appeal committee may reinstate the employee under such conditions as it deems proper, and may order the payment to the employee of compensation lost as a result of the demotion, suspension or dismissal.

(d) A person who is a member, officer, or employee of the council; the regional transit board; or the metropolitan agencies defined in section 473.121, subdivisions 7, 12, 15, 21, and 32, may not be paid for goods or services that he or she provides as an individual or through a business entity to another individual or business entity that sells or rents goods or services to or buys or leases them from the person's council, commission, or board.

Sec. 5. Minnesota Statutes 1984, section 473.141, subdivision 13, is amended to read:

Subd. 13. [COMMISSION OPERATING PROCEDURES.] (a) ~~The~~ Each commission shall adopt resolutions and bylaws, an administrative code establishing procedures for commission action, keeping records, approving

claims, authorizing and making disbursements, authorizing contracts, safe-keeping funds and audit of all financial operations of the commission. *The code shall address matters for which the council has adopted uniform standards and procedures and be in general conformance with the uniform standards and procedures adopted by the council.*

(b) *The Each commission and the council may enter into contracts with each other and with other commissions and governmental units for the joint exercise of powers in the manner provided by section 471.59; provided that no commission shall enter into any contract with the council which would assign any operations authority, responsibility or function, other than planning or making studies, from the commission to the council.*

Sec. 6. Minnesota Statutes 1984, section 473.141, is amended by adding a subdivision to read:

Subd. 15. [ANNUAL REPORTS.] Each commission shall annually submit a report to the metropolitan council, detailing its performance for the previous year. The report shall be in the form and detail and submitted at the time reasonably required by the council. By September 15 of each year, after consultation with the council, the commission shall submit to the council a set of performance objectives respecting service delivery, finances, and management that the commission intends to meet during the subsequent year. If the council concurs with the objectives, it shall include them in its annual report pursuant to section 473.245. If the council does not concur with them, it shall notify the commission within 30 days, with comments. The commission shall consider the council's comments and resubmit performance objectives to the council within 30 days. The council shall then include them in its annual report.

Sec. 7. Minnesota Statutes 1984, section 473.163, is amended by adding a subdivision to read:

Subd. 3a. Each year, with its annual budget, the commission shall prepare a financial plan for the succeeding three calendar years. The financial plan must be consistent with the commission's development program and contain:

(a) a schedule of expected levels of public expenditure, both capital and operating, for the services and facilities planned;

(b) a schedule showing the expected sources of funds, user charges, and state and federal subsidies; and

(c) a plan and schedule showing the distribution of funds among various services, service areas and markets, and providers.

The commission shall submit its financial plan to the council for review at a time to be determined by the council.

Sec. 8. Minnesota Statutes 1984, section 473.245, is amended to read:

473.245 [REPORTS.]

On or before January 15, of each year the metropolitan council shall report to the legislature. The report shall include:

(1) A statement of the metropolitan council's receipts and expenditures by category since the preceding report;

(2) A detailed budget for the year in which the report is filed and the following year including an outline of its program for such period three-year projected expenditures and revenues, including the total revenues needed and the sources of revenues;

(3) A statement of what the metropolitan council has established as the metropolitan agenda for the year in which the report is filed, including at least the objectives and priorities that the metropolitan council intends to accomplish during the year and the performance objectives established for the metropolitan commissions and the regional transit board for the year in which the report is filed;

(4) An evaluation of the performance of the metropolitan council with respect to the metropolitan agenda for the previous year, and of the metropolitan commissions and the regional transit board with respect to their performance objectives for the previous year;

(5) An explanation of any policy plan and other comprehensive plan adopted in whole or in part for the metropolitan area and the review comments of the affected commission;

(4) (6) Summaries of any studies and the recommendations resulting therefrom made by the metropolitan council, and a listing of all applications for federal moneys made by governmental units within the metropolitan area submitted to the metropolitan council;

(5) (7) A listing of plans of local governmental units and proposed matters of metropolitan significance submitted to the metropolitan council;

(6) (8) A detailed report on the progress of any project undertaken by the council pursuant to sections 473.193 to 473.201; and

(7) (9) Recommendations of the metropolitan council for metropolitan area legislation, including the organization and functions of the metropolitan council and, the commissions, and the regional transit board; and

(10) A report covering the current budget year and three-year projected expenditures and revenues of the metropolitan commissions and the regional transit board, including the total revenues needed and the sources of revenues.

Sec. 9. Minnesota Statutes 1984, section 473.373, subdivision 7, is amended to read:

Subd. 7. [EMPLOYEES.] (a) The council shall by resolution adopt guidelines for a personnel code of the regional transit board and the metropolitan agencies defined in section 473.121, subdivisions 7, 12, 15, 21, and 32. After adoption of the guidelines, the board and other agencies covered by this subdivision shall by resolution adopt a personnel code in general conformance with them.

(b) The board has the authority of a chief administrator to make all decisions on the appointment, promotion, demotion, suspension, and removal of all subordinate officers and regular employees of the board. The board may not take any action inconsistent with its personnel code. The board may authorize the chair or executive director to recommend employment decisions. The board shall act within 30 days on employment decisions recom-

mended by the chair or executive director.

Sec. 10. Minnesota Statutes 1984, section 473.375, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] The transit board has the power and duties imposed by law. The exercise of any powers by the board must be consistent with the exercise by the metropolitan council of any of its powers *and in general conformance with the uniform standards and procedures adopted by the council under section 473.129, subdivision 7. The board shall adopt procedures addressing matters for which the council has adopted uniform standards and procedures.*

Sec. 11. Minnesota Statutes 1984, section 473.375, subdivision 16, is amended to read:

Subd. 16. [REPORT.] The board shall annually submit a report to the metropolitan council, ~~the governor, and the legislature~~ detailing its activities and finances for the previous year. *The report shall be in the form and detail and submitted at the time reasonably required by the council. By September 15 of each year after consultation with the council, the board shall submit to the council a set of performance objectives respecting service delivery, finances, and management that the board intends to meet during the following year. If the council concurs with the objectives, it shall include them in its annual report made pursuant to section 473.245. If the council does not concur with them, it shall notify the board within 30 days, with comments. The board shall consider the council's comments and resubmit performance objectives to the council within 30 days. The council shall then include them in its annual report.*

Sec. 12. Minnesota Statutes 1984, section 473.375, is amended by adding a subdivision to read:

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

Sec. 13. Minnesota Statutes 1984, section 473.38, subdivision 1, is amended to read:

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

Sec. 14. Minnesota Statutes 1984, section 473.435, subdivision 2, is amended to read:

Subd. 2. [AUDIT.] ~~The transit commission shall employ a certified public accountant or firm to legislative auditor shall make an annual audit of the commission's financial accounts and affairs for the last fiscal year on or before November 30 of each year, and or as often as the legislative auditor's funds and personnel permit.~~ Copies of the report thereof shall be filed and

kept open to public inspection in the offices of the secretary of the commission, the board, and the secretary of state. The information in the audit shall be contained in the annual report and distributed in accordance with section 473.445. *The commission shall pay the total cost of the audit pursuant to section 3.9741.*"

Page 2, after line 32, insert:

"Sec. 18. [REPEALER.]

Minnesota Statutes 1984, section 15A.081, subdivision 7, is repealed."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "permitting the metropolitan council to set standards for certain agencies; requiring reports;"

Page 1, line 8, after "sections" insert "15A.081, subdivision 1, and by adding a subdivision; 473.129, by adding a subdivision; 473.141, subdivisions 9 and 13, and by adding a subdivision; 473.163, by adding a subdivision; 473.245; 473.373, subdivision 7; 473.375, subdivisions 1 and 16, and by adding a subdivision; 473.38, subdivision 1; 473.435, subdivision 2;"

Page 1, line 9, before the period, insert "repealing Minnesota Statutes 1984, section 15A.081, subdivision 7"

Mr. Benson questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

H.F. No. 558 was then progressed.

SPECIAL ORDER

S.F. No. 879: A bill for an act relating to economic development; adding definitions to the Minnesota energy and economic development authority law; clarifying purposes of the economic development fund; adding development power and authority; restricting the duties of the energy and economic development authority and enlarging the duties of the commissioner of energy and economic development; extending the life of the Minnesota manufacturing growth council; amending Minnesota Statutes 1984, sections 116J.58, subdivision 1; 116M.03, subdivisions 10, 11, 13, and by adding subdivisions; 116M.04, subdivision 1; 116M.06, subdivisions 2, 4, and 11; 116M.07, subdivisions 1, 2, 11, 12, and by adding a subdivision; 116M.08, subdivisions 11, 13, 16, 19, 20, and by adding subdivisions; 116M.10, subdivision 5; 474.01, subdivisions 6, 7b, 8, and 11; and Laws 1984, chapter 654, article 2, section 151, subdivision 5.

Mr. Freeman moved to amend S.F. No. 879 as follows:

Page 11, line 14, after the comma, insert "health care equipment loans,"

Page 12, after line 21, insert:

"Sec. 22. Minnesota Statutes 1984, section 116M.07, is amended by adding a subdivision to read:

Subd. 7a. [HEALTH CARE EQUIPMENT LOANS; AUTHORITY.] The

authority may make or participate in making health care equipment loans in any amount and may enter into commitments therefor. The loans may be made only from the proceeds of bonds or notes issued pursuant to subdivision 7b. Before making a commitment for a loan, the authority shall forward the application to the commissioner of health for review under subdivision 7c. The authority must not approve or enter into a commitment for a loan unless the application has been approved by the commissioner of health.

Sec. 23. Minnesota Statutes 1984, section 116M.07, is amended by adding a subdivision to read:

Subd. 7b. [HEALTH CARE EQUIPMENT LOANS; BONDS AND NOTES.] The authority may issue its bonds and notes to provide money for the purposes specified in subdivision 7a. For this purpose, the authority may exercise all of the powers conferred on it by sections 116M.03 and 116M.06 to 116M.08 with respect to business loans, except as limited by subdivisions 7a to 7c. The principal amount of bonds and notes issued and outstanding under this subdivision at any time, computed as specified in section 116M.08, subdivision 11, may not exceed \$95,000,000. This authorization is in addition to the authorization contained in section 116M.08, subdivision 11. The bonds and notes issued to make the loans may not be insured by the authority but shall be insured by a letter of credit or bond insurance issued by a private insurer.

Sec. 24. Minnesota Statutes 1984, section 116M.07, is amended by adding a subdivision to read:

Subd. 7c. [HEALTH CARE EQUIPMENT LOANS; ADMINISTRATION.] (a) The commissioner of health shall review each loan application received from the authority to determine whether the application is an approvable application. An application is approvable if the following criteria are satisfied:

(1) the hospital is owned and operated by a county, district, municipality or nonprofit corporation;

(2) the loan would not be used to refinance existing debt;

(3) the hospital was unable to obtain suitable financing from other sources;

(4) the loan is necessary to establish or maintain patient access to an essential health care service that would not otherwise be available within a reasonable distance from that facility; and

(5) the project to be financed by the loan is cost-effective and efficient.

(b) The commissioner shall determine whether the allocation available for the health care equipment loan program for a period of time specified in a rule is sufficient for all approvable applications received during the period of time. If the allocations are sufficient, the commissioner shall approve all approvable applications. If the allocations are not sufficient, the commissioner shall compare the relative merits of the approvable applications in relation to the criteria in clauses (4) and (5), rank the applications in order of priority, and approve the applications in order of priority to the extent possible within the available allocation.

(c) The commissioner of energy and economic development may charge a

reasonable fee under section 16A.128 to an applicant for the costs of the departments of health and energy and economic development in the review of the application. The commissioner of energy and economic development shall transfer to the commissioner of health from the fees collected an amount sufficient to pay the costs of the commissioner of health in the review of applications effective July 1, 1985. The commissioner of health may adopt permanent rules to implement subdivisions 7a to 7c of this section. The commissioner of energy and economic development may adopt permanent rules to implement subdivisions 7a to 7c."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 15, delete "a subdivision" and insert "subdivisions"

The motion prevailed. So the amendment was adopted.

Mr. Anderson moved to amend S.F. No. 879 as follows:

Page 13, line 5, reinstate "\$10,000,000" and delete "\$30,000,000"

Page 16, delete section 25

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 16, delete "11,"

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

Mr. Benson moved to amend S.F. No. 879 as follows:

Page 14, line 16, delete "\$2,000,000" and insert "\$1,000,000"

CALL OF THE SENATE

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

The question was taken on the adoption of the amendment.

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

Those who voted in the affirmative were:

Adkins	Brataas	Jude	McQuaid	Sieloff
Anderson	Frederick	Kamrath	Mehrkens	Solon
Belanger	Frederickson	Knaak	Olson	Storm
Benson	Gustafson	Knutson	Peterson, D.L.	Taylor
Berg	Isackson	Kronebusch	Ramstad	
Bertram	Johnson, D.E.	Laidig	Renneke	

Those who voted in the negative were:

Berglin	Diessner	Lantry	Peterson, D.C.	Vega
Bernhagen	Dieterich	Lessard	Peterson, R.W.	Waldorf
Chmielewski	Frank	Luther	Purfeerst	Wegscheid
Dahl	Freeman	Moe, D. M.	Reichgott	Willet
Davis	Hughes	Moe, R. D.	Schmitz	
DeCramer	Kroening	Nelson	Spear	
Dicklich	Langseth	Pehler	Stumpf	

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

S.F. No. 879 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.

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

The roll was called, and there were yeas 35 and nays 28, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

SPECIAL ORDER

S.F. No. 295: A bill for an act relating to counties; authorizing a special levy for county agricultural society and park and recreation purposes for Hubbard county; authorizing a special levy for support of the Clearwater county hospital; authorizing a special levy for tourism and agriculture promotion in Cass county; requiring a reverse referendum under certain circumstances; increasing the amount of loans available to certain counties for design and construction costs of district heating and qualified energy improvements; allowing municipalities to accelerate repayment of principal of energy loans; authorizing county regulation of pawnbrokers, second-hand, and junk dealers; amending Minnesota Statutes 1984, section 116J.36, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 471.

Mr. Johnson, D.E. moved to amend S.F. No. 295 as follows:

Page 7, line 1, delete the new language

Page 7, line 2, delete "*municipality under subdivision 9, but*"

Page 7, line 3, strike the first "the" and strike "25 year"

Page 7, line 4, strike "with the" and insert "*The loan may be amortized in accordance with repayment schedules not exceeding 25 years in length. Any outstanding*"

Page 7, line 4, strike "to be retired with"

Page 7, line 5, strike "the payment due 20 years after receipt of the loan" and insert "*at the end of the repayment period must be repaid along with the final scheduled payment*"

The motion prevailed. So the amendment was adopted.

Mr. Willet moved to amend S.F. No. 295 as follows:

Page 8, after line 27, insert:

"Sec. 15. [HUBBARD COUNTY FISCAL AGENT.]

The Hubbard county board may serve as the fiscal agent to receive money from the state for the Viking Epic Drama Amphitheater economic development project. The Hubbard county board shall establish the procedures and payment schedules necessary to make any required repayments to the state."

Amend the title as follows:

Page 1, line 14, after the semicolon insert "designating Hubbard county as a fiscal agent;"

The motion prevailed. So the amendment was adopted.

S.F. No. 295 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 55 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

SPECIAL ORDER

S.F. No. 31: A bill for an act relating to watercraft safety; strengthening prohibitions and penalties regarding operation of watercraft while under the influence of alcohol or a controlled substance; providing a penalty; amending Minnesota Statutes 1984, section 361.12; proposing coding for new law in Minnesota Statutes, chapter 361.

Mr. Merriam moved to amend S.F. No. 31 as follows:

Page 1, line 14, strike "watercraft" and insert "motorboat while underway or in use"

Page 1, line 23, strike "watercraft" and insert "motorboat" and strike "person" and insert "individual"

Page 1, line 24, delete "he" and insert "the person"

Page 1, line 26, strike "watercraft" and insert "motorboat while underway or in use"

Page 2, lines 2 and 4, strike "watercraft" and insert "motorboat"

Page 2, line 5, strike "watercraft" and insert "motorboat while underway or in use"

Page 2, lines 15, 16, and 35, delete "watercraft" and insert "motorboat"

Page 3, line 19, delete "watercraft" and insert "motorboat"

Page 4, lines 6, 14, and 28, delete "watercraft" and insert "motorboat"

Page 4, lines 8 and 32, delete the first "watercraft" and insert "motorboat"

Page 5, lines 2, 16, 21, and 36, delete "watercraft" and insert "motorboat"

Page 5, line 7, delete "watercraft" and insert "motorboat while underway or in use"

Page 6, lines 1, 3, and 13, delete "watercraft" and insert "motorboat"

Amend the title as follows:

Page 1, lines 2 and 4, delete "watercraft" and insert "motorboat"

CALL OF THE SENATE

Mr. Merriam imposed a call of the Senate for the balance of the proceedings on S.F. No. 31. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the amendment.

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

The roll was called, and there were yeas 47 and nays 12, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Johnson, D.J.	Merriam	Reichgott
Berg	Diessner	Jude	Moe, R. D.	Renneke
Berglin	Dieterich	Kamrath	Novak	Schmitz
Bernhagen	Frank	Knaak	Olson	Spear
Bertram	Frederick	Kroening	Pehler	Stumpf
Brataas	Frederickson	Langseth	Peterson, C.C.	Waldorf
Chmielewski	Freeman	Lantry	Peterson, D.C.	Wegscheid
Dahl	Gustafson	Lessard	Peterson, R.W.	
Davis	Hughes	Luther	Petty	
DeCramer	Johnson, D.E.	McQuaid	Pogemiller	

Those who voted in the negative were:

Anderson	Isackson	Purfeerst	Samuelson	Storm
Belanger	Kronebusch	Ramstad	Sietloff	Willet
Benson	Laidig			

The motion prevailed. So the amendment was adopted.

Mr. Merriam then moved to amend S.F. No. 31 as follows:

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 1984, section 361.02, subdivision 9, is amended to read:

Subd. 9. "Underway or in use" means any watercraft in operation or use

~~when not~~ unless it is securely fastened to a dock or other permanent mooring. As used in section 361.12 and section 2, "underway and in use" means any motorboat in operation unless it is fastened to a dock or other mooring, anchored, beached, or drifting with the motor turned off."

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 6, delete "section" and insert "sections 361.02, subdivision 9; and"

The motion prevailed. So the amendment was adopted.

Mr. Merriam then moved to amend S.F. No. 31 as follows:

Page 1, line 17, delete the second comma and insert "and" and delete "and (e)"

Page 3, delete lines 15 to 23

Page 3, line 24, delete "(e)" and insert "(d)"

Page 3, lines 27 and 28, delete "tests obtained more than two hours after the alleged violation and"

The motion prevailed. So the amendment was adopted.

Mr. Merriam then moved to amend S.F. No. 31 as follows:

Page 4, lines 2 and 4, after "or" insert "civil liability under"

Page 4, line 24, after "and" insert "criminal and civil"

Page 5, line 28, delete "guilty of a misdemeanor;"

Page 5, delete lines 29 to 33

Page 5, line 34, delete "(b)" and insert "subject to a civil penalty not to exceed \$700 and," and delete "to any penalties imposed under this"

Page 5, line 35, delete "subdivision"

Page 6, line 1, delete "(c)" and insert "(b)"

Page 6, line 3, delete "(b)" and insert "(a)"

Page 6, line 10, delete everything after "that"

Page 6, line 11, delete "provided under subdivision 2, to refuse" and insert "a person is subject to a civil penalty not to exceed \$700 for refusing"

Page 6, line 12, delete "to other penalties which a court may impose"

The motion prevailed. So the amendment was adopted.

Mr. Ramstad moved to amend S.F. No. 31 as follows:

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 1984, section 361.03, is amended by adding a subdivision to read:

Subd. 1a. [INSURANCE REQUIRED.] Except as provided in subdivision 1b, every owner of watercraft that is required to be registered or licensed in this state shall maintain a liability insurance policy during the period of its

use or operation. The policy must contain limits of liability of not less than \$50,000 per occurrence. Failure to maintain the required insurance is grounds for revocation of a watercraft license.

Sec. 2. Minnesota Statutes 1984, section 361.03, is amended by adding a subdivision to read:

Subd. 1b. [INSURANCE NOT REQUIRED FOR CERTAIN WATERCRAFT.] Subdivision 1a does not apply to:

- (1) outboard motor boats of 25 horsepower or less;
- (2) sailboats 26 feet or less in length; and
- (3) non-powered watercraft, other than sailboats, including but not limited to canoes, rafts, or rowboats.

Sec. 3. Minnesota Statutes 1984, section 361.03, is amended by adding a subdivision to read:

Subd. 2a. [PROOF OF INSURANCE.] Every owner of watercraft in this state, when applying for registration, reregistration, or transfer of ownership shall supply any information the commissioner reasonably requires to determine that the watercraft is covered by an insurance policy as required under subdivision 1a or that the watercraft is exempt from the insurance requirement. No license may be issued or renewed unless the information required under this subdivision is provided to the commissioner. The commissioner may adopt rules necessary to implement this subdivision."

Page 8, line 8, delete "This act is" and insert "Sections 4 and 5 are"

Renumber the sections in sequence and correct internal references

Amend the title as follows:

Page 1, line 2, after the semicolon insert "requiring liability insurance on watercraft;"

Page 1, line 6, delete "section" and insert "sections 361.03, by adding subdivisions; and"

Mr. Samuelson questioned whether the amendment was germane.

The Chair ruled that the amendment was germane.

The question was taken on the adoption of the amendment.

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

Those who voted in the affirmative were:

Adkins	Frederick	Kronebusch	Novak	Renneke
Belanger	Freeman	Laidig	Olson	Schmitz
Benson	Gustafson	Lantry	Peterson, D.C.	Sieloff
Bernhagen	Hughes	Luther	Peterson, D.L.	Spear
Brataas	Johnson, D.E.	McQuaid	Peterson, R.W.	Storm
Dahl	Jude	Merriam	Petty	Taylor
Dietrich	Kamrath	Moe, D.M.	Ramstad	Waldorf

Those who voted in the negative were:

Anderson	DeCramer	Kroening	Pehler	Stumpf
Berg	Dicklich	Langseth	Peterson, C.C.	Wegscheid
Berglin	Frank	Lessard	Pogemiller	Willet
Bertram	Isackson	Mehrkens	Purfeerst	
Chmielewski	Johnson, D.J.	Moe, R.D.	Reichgott	
Davis	Knaak	Nelson	Samuelson	

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend the second Merriam amendment to S.F. No. 31, adopted by the Senate May 8, 1985, as follows:

Page 1, line 8, after "*motorboat*" insert "*of 36 horsepower or more*"

The motion prevailed. So the amendment was adopted.

Mr. Lessard moved to amend S.F. No. 31 as follows:

Page 2, line 9, delete the second "*without*"

Page 2, line 10, delete "*regard to whether*" and insert "*if*"

Page 2, line 11, after the period, insert "*If the violation did not occur in the officer's presence, the officer may arrest the person if the person was involved in a watercraft accident resulting in personal injury or property damage.*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 42 and nays 21, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Isackson	McQuaid	Sieloff
Anderson	Davis	Johnson, D.E.	Mehrkens	Storm
Belanger	DeCramer	Johnson, D.J.	Olson	Stumpf
Benson	Dicklich	Jude	Peterson, C.C.	Taylor
Berg	Dieterich	Kamrath	Peterson, D.L.	Waldorf
Bernhagen	Frank	Kronebusch	Peterson, R.W.	Wegscheid
Bertram	Frederick	Langseth	Renneke	
Brataas	Frederickson	Lantry	Samuelson	
Chmielewski	Gustafson	Lessard	Schmitz	

Those who voted in the negative were:

Berglin	Kroening	Nelson	Pogemiller	Willet
Diessner	Laidig	Novak	Purfeerst	
Freeman	Luther	Pehler	Ramstad	
Hughes	Merriam	Peterson, D.C.	Reichgott	
Knaak	Moe, R.D.	Petty	Spear	

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend S.F. No. 31 as follows:

Page 1, line 13, strike "*Subdivision 1.*" and delete "*[ACTS PROHIBITED.]*"

Page 2, delete lines 6 to 36

Page 3, delete lines 1 to 36

Page 4, delete lines 1 to 36

Page 5, delete lines 1 to 4

Pages 5 to 8, delete section 2

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 2, delete "*strengthening*" and insert "*clarifying*"

Page 1, line 3, delete "*and penalties*"

Page 1, line 6, delete “; proposing”

Page 1, line 7, delete everything before the period

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 44, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Frederickson	Knaak	Sieloff
Benson	Davis	Gustafson	Lessard	Storm
Berg	Dicklich	Isackson	Mehrkens	Taylor
Bertram	Frederick	Kamrath	Samuelson	

Those who voted in the negative were:

Adkins	Freeman	Luther	Peterson, C.C.	Schmitz
Belanger	Hughes	McQuaid	Peterson, D.C.	Solon
Berglin	Johnson, D.E.	Merriam	Peterson, R.W.	Spear
Bernhagen	Jude	Moe, D.M.	Petty	Stumpf
Dahl	Kroening	Moe, R.D.	Pogemiller	Vega
DeCramer	Kronebusch	Nelson	Purfeerst	Waldorf
Diessner	Laidig	Novak	Ramstad	Wegscheid
Dieterich	Langseth	Olson	Reichgott	Willet
Frank	Lantry	Pehler	Renneke	

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

Mr. Waldorf moved to amend S.F. No. 31, as amended by the Sieloff and Merriam amendments, as follows:

Page 1, line 8, of the second Merriam amendment, delete “36 horsepower” and insert “16 horsepower”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 34 and nays 26, as follows:

Those who voted in the affirmative were:

Belanger	Dieterich	Lantry	Pehler	Schmitz
Berglin	Frank	Luther	Peterson, D.C.	Spear
Bertram	Hughes	McQuaid	Peterson, R.W.	Stumpf
Dahl	Jude	Merriam	Petty	Waldorf
Davis	Knaak	Moe, R.D.	Pogemiller	Wegscheid
DeCramer	Kroening	Nelson	Ramstad	Willet
Diessner	Langseth	Olson	Reichgott	

Those who voted in the negative were:

Anderson	Frederickson	Kronebusch	Purfeerst	Taylor
Benson	Freeman	Laidig	Renneke	Vega
Berg	Gustafson	Lessard	Samuelson	
Bernhagen	Isackson	Mehrkens	Sieloff	
Chmielewski	Johnson, D.E.	Peterson, C.C.	Solon	
Frederick	Kamrath	Peterson, D.L.	Storm	

The motion prevailed. So the amendment was adopted.

Mr. Samuelson moved to amend S.F. No. 31 as follows:

Page 1, line 15; delete “the waters of this state” and insert “Lake Minnetonka”

Amend the title as follows:

Page 1, line 2, delete "strengthening" and insert "limiting"

Page 1, line 5, before the first semicolon, insert "to Lake Minnetonka"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 42, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Isackson	Peterson, C.C.	Solon
Benson	Davis	Lessard	Purfeerst	Stumpf
Berg	DeCramer	Mehrkens	Samuelson	Vega
Bertram	Gustafson	Pehler	Sieloff	Willet

Those who voted in the negative were:

Adkins	Frederickson	Laidig	Olson	Schmitz
Belanger	Freeman	Langseth	Peterson, D.C.	Spear
Berglin	Hughes	Lantry	Peterson, D.L.	Storm
Bernhagen	Johnson, D.E.	Luther	Peterson, R.W.	Taylor
Dahl	Jude	McQuaid	Petty	Waldorf
Diessner	Kamrath	Merriam	Pogemiller	Wegscheid
Dieterich	Knaak	Moe, D.M.	Ramstad	
Frank	Kroening	Moe, R.D.	Reichgott	
Frederick	Kronebusch	Nelson	Renneke	

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

S.F. No. 31 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 41 and nays 25, as follows:

Those who voted in the affirmative were:

Adkins	Frederickson	Langseth	Peterson, D.C.	Solon
Belanger	Freeman	Lantry	Peterson, D.L.	Spear
Berglin	Hughes	Luther	Peterson, R.W.	Storm
Bernhagen	Isackson	McQuaid	Petty	Waldorf
Chmielewski	Johnson, D.E.	Merriam	Pogemiller	Wegscheid
Dahl	Jude	Moe, D.M.	Ramstad	
Diessner	Kroening	Nelson	Reichgott	
Dieterich	Kronebusch	Novak	Renneke	
Frank	Laidig	Olson	Schmitz	

Those who voted in the negative were:

Anderson	Davis	Johnson, D.J.	Moe, R.D.	Sieloff
Benson	DeCramer	Kamrath	Pehler	Stumpf
Berg	Dicklich	Knaak	Peterson, C.C.	Taylor
Bertram	Frederick	Lessard	Purfeerst	Vega
Brataas	Gustafson	Mehrkens	Samuelson	Willet

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

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 7:00 p.m. The motion prevailed.

The hour of 7:00 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was

instructed to bring in the absent members.

APPOINTMENTS

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H.F. No. 1037: Messrs. Vega, Moe, D.M. and Frederickson.

H.F. No. 889: Messrs. Bertram, DeCramer and Isackson.

H.F. No. 227: Messrs. Dicklich, Dieterich and Benson.

H.F. No. 78: Ms. Berglin, Messrs. Spear and Johnson, D.E.

H.F. No. 674: Ms. Berglin, Messrs. Spear and Johnson, D.E.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, the Senate reverted to the Order of Business of Messages From the House.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the adoption by the House of the following Senate Concurrent Resolution, herewith returned:

Senate Concurrent Resolution No. 9: A Senate concurrent resolution relating to joint rules; adopting permanent joint rules of the Senate and House of Representatives.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 8, 1985

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1382, and repassed said bill in accordance with the report of the Committee, so adopted.

H.F. No. 1382: A bill for an act relating to courts; providing for transcript fees; amending Minnesota Statutes 1984, section 486.06.

House File No. 1382 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 8, 1985

Mr. Sieloff moved that H.F. No. 1382 and the Conference Committee Report thereon be laid on the table. The motion prevailed.

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

SPECIAL ORDER

S.F. No. 567: A bill for an act relating to real property; changing notice

period required for cancellation of contract for deed; designating vendor's attorney as an agent; eliminating the mortgage registration tax on contracts for deed; amending Minnesota Statutes 1984, section 559.21, subdivisions 3, 4, and 6, and by adding subdivisions; repealing Minnesota Statutes 1984, sections 287.02; and 559.21, subdivisions 1, 1a, and 2.

Mr. Luther moved to amend S.F. No. 567 as follows:

Page 1, lines 16, 17, and 23, delete "vendor" and insert "seller"

Page 1, line 21, after "days" insert ", or a shorter period allowed in subdivision 4,"

Page 1, line 26, after "than" insert "the final"

Page 1, line 27, delete "for deed"

Page 2, line 2, delete "\$150" and insert "\$125"

Page 2, lines 3 and 4, delete "\$1,000" and insert "\$750"

Page 2, line 7, delete "; and"

Page 2, line 8, delete "further provided that no" and insert ". No"

Page 2, line 9, delete "vendor" and insert "seller"

Page 2, line 11, after the period insert "Reasonable costs of service may be recovered regardless of whether the notice of cancellation is served by the sheriff or other public officer or by a private process server."

Page 3, line 13, strike "FOR DEED"

Page 3, line 20, before "TOGETHER" insert "(TO BE SENT TO YOU)"

Page 3, line 21, before "TWO" insert "WHICH IS"

Page 3, line 22, after "DEFAULT" insert "OTHER THAN THE FINAL BALLOON PAYMENT"

Page 4, line 3, after the comma, insert "except that earnest money contracts, purchase agreements, and exercised options may, by their terms, provide for a shorter termination period, not less than 30 days"

Page 4, line 4, strike "and" and insert ". The notice"

Page 4, line 5, after "court," insert "and"

Page 4, lines 24 and 33, reinstate the stricken "90" and delete "60"

Page 4, line 28, strike "vendor" and insert "seller"

Page 4, line 31, after "than" insert "the final"

Page 5, lines 2, 15, and 17, strike "vendor" and insert "seller"

Page 5, line 5, after "than" insert "the final"

Page 5, line 9, strike "vendor" and insert "seller" in both places

Page 5, line 33, delete "for" and insert "to terminate"

Page 5, line 35, strike "borrower" and insert "purchaser"

Page 6, line 2, strike "section" and insert "subdivision"

Page 6, lines 7 and 9, delete "*vendor*" and insert "*seller*"

Page 6, line 10, delete "*conjunction*" and insert "*conjunction*"

Page 6, line 11, delete "*vendee*" and insert "*purchaser*"

The motion prevailed. So the amendment was adopted.

Mr. Dicklich moved to amend S.F. No. 567 as follows:

Page 1, after line 11, insert:

"ARTICLE 1"

Page 6, after line 18, insert:

"ARTICLE 2

Section 1. Minnesota Statutes 1984, section 47.20, subdivision 15, is amended to read:

Subd. 15. Notwithstanding the provisions of any other law to the contrary, any notice of default on homestead property as defined in section 583.02, mailed after May 24, 1983 and prior to May 1, 1985, to which the provisions of chapter 583 apply shall indicate that the borrower has 60 days from the date the notice is mailed in which to cure the default. The notice shall include a statement that the borrower may be eligible for an extension of the time prior to foreclosure and execution sale under sections 583.04 to 583.12 chapter 583.

Sec. 2. Minnesota Statutes 1984, section 559.21, subdivision 6, is amended to read:

Subd. 6. [TEMPORARY MINIMUM NOTICE.] Notwithstanding the provisions of any other law to the contrary, no contract for conveyance of homestead property, as defined in section 583.02, to which the provisions of chapter 583 apply shall terminate until 60 days after service of notice if the notice is served after May 24, 1983, and prior to May 1, 1985, or 90 days after service of notice if the contract was entered into after May 1, 1980 and the contract vendee has paid 25 percent or more of the purchase price. The notice shall specify this 60- or 90-day period. The notice shall include a statement that the borrower may be eligible for an extension of the time prior to foreclosure and execution sale termination under sections 583.04 to 583.12 chapter 583. This section does not apply to earnest money contracts, purchase agreements or exercised options.

Sec. 3. Minnesota Statutes 1984, section 580.031, is amended to read:

580.031 [TEMPORARY MINIMUM NOTICE.]

Notwithstanding the provisions of any other law to the contrary, eight weeks' published notice must be given prior to the foreclosure sale of a homestead, as defined in section 583.02, if the notice is published for the first time after May 24, 1983 and prior to May 1, 1985 to which the provisions of chapter 583 apply. The notice must contain the information specified in section 580.04. At least eight weeks before the appointed time of sale, a copy of the notice must be served upon the person in possession of the mortgaged premises, if the premises are actually occupied.

Sec. 4. Minnesota Statutes 1984, section 583.02, is amended to read:

583.02 [DEFINITIONS.]

As used in sections ~~583.01 to 583.12~~ *this chapter*, the term "homestead" means residential or agricultural real estate, a portion or all of which, *at the time of the filing of the petition under section 583.04, is occupied by the owner and is entitled to receive homestead credit under section 273.13, subdivision 15a or would be entitled to receive the credit if it remained the residence of the owner on June 1 of the current year or January 2 of the next year.*

Sec. 5. Minnesota Statutes 1984, section 583.03, is amended to read:

583.03 [APPLICATION.]

Subdivision 1. [PROPERTY COVERED.] The provisions of sections 47.20, subdivision 15, 559.21, subdivision 6, 580.031, and 583.01 to 583.12 apply to first mortgages secured by and contracts for deed conveying, homesteads within the meaning of section 583.02, including: (1) mortgages held by the United States or by any agency, department, bureau, or instrumentality of the United States, as security or pledge of the mortgagor, its successors or assigns; and (2) mortgages held as security or pledge to secure payment of a public debt or to secure payment of the deposit of public funds.

Subd. 2. [GENERAL EXCLUSION APPLICABILITY.] (a) *Except as provided in paragraph (b), sections 47.20, subdivision 15, 559.21, subdivision 6, 580.031, and 583.01 to 583.12 apply to:*

(1) mortgages or contracts for deed made before May 24, 1983, until July 1, 1987, but postponement or other relief ordered by a court is effective for the period ordered by the court; and

(2) first mortgages and contracts for deed on homestead property made after May 1, 1985.

(b) The provisions of sections 47.20, subdivision 15, 559.21, subdivision 6, 580.031, and 583.01 to 583.12 do not apply to (1) mortgages or contracts for deed made after May 24, 1983, ~~nor to and before May 1, 1985~~, (2) mortgages or contracts for deed made before May 24, 1983, which are renewed or extended after May 24, 1983, and before May 1, 1985, for a period longer than one year, ~~nor to~~ (3) mortgages, judgments, or contracts for deed, ~~regardless of when made made before May 1, 1985~~, if a second or subsequent mortgage is made against the property after May 24, 1983.

No court shall allow a stay, or postponement, or extension of time that would cause any right to be lost or adversely affected by any statute of limitation.

Sec. 6. Minnesota Statutes 1984, section 583.04, is amended to read:

583.04 [MORTGAGOR MAY APPLY TO DISTRICT COURT FOR RELIEF.]

Any mortgagor, or owner in possession of the mortgaged premises *including farm homestead premises*, or anyone claiming under the mortgage, or anyone liable for the mortgage debt, may at any time after the issuance of the notice of the foreclosure proceedings default and prior to the sale, petition the district court of the county where the foreclosure proceedings are pending, serving a summons and verified ~~complaint~~ *petition* requesting that the

sale in foreclosure be postponed for up to six months or, in the case of a farm homestead located on more than ten acres, for up to 12 months. A contract for deed vendee or anyone claiming under the contract or liable for the contract payment, in any case where the contract has not yet been terminated as of May 24, 1983, may petition the district court in the same manner, requesting that the contract termination be ~~delayed~~ *postponed* for up to 90 days. Upon receiving the petition, the court shall order a stay in the foreclosure proceedings *or contract termination* until after the hearing on the petition. ~~As a condition precedent to the postponement of the foreclosure sale, the party serving the verified complaint shall file it and pay to the clerk for the person foreclosing the mortgage the actual costs incurred, including attorney's fees, in the foreclosure proceeding before postponement. As a condition precedent to delay of the contract termination, the party seeking relief shall file the verified complaint and pay to the clerk for the person canceling the contract, the actual costs, including attorney's fees incurred in the cancellation. If payment is made by other than cash or certified check, the order postponing the sale or termination is not final until after the check or other negotiable instrument has been paid. The court may order costs and attorney fees to be paid by the person applying for relief. If the court orders attorney fees to be paid, the amount may not exceed \$150 or one-half of the attorney fees allowed in section 582.01, whichever is less. The court may order the attorney fees to be prorated and combined with payments ordered under section 583.08. The court may not order attorney fees to be paid by the person applying for relief, if the person is receiving public assistance or legal aid for their own legal representation.~~

Sec. 7. Minnesota Statutes 1984, section 583.05, is amended to read:

583.05 [COURT MAY ORDER ~~DELAY~~ IN POSTPONEMENT OF SALE; FINDINGS.]

The court may consider the following criteria in determining whether or not to order a ~~delay~~ *in postponement* of the sale or contract termination:

(1) that the petitioner is unemployed, underemployed, facing catastrophic medical expenses, or facing economic problems due to low farm commodity prices; and

(2) that the petitioner has an inability to make payments on the mortgage or contract for deed.

If the court ~~grants or denies a delay in postponement~~ *of the sale*, the mortgagee shall publish notice of the new sale date as provided in section 580.03. ~~If the court grants a postponement of the sale, the mortgagee shall not publish notice of a new sale date as provided in section 580.03 until the postponement period has expired, except as provided in section 583.08.~~ Section 580.07 does not apply to foreclosure sales postponed by a court pursuant to sections 583.01 to 583.12.

Sec. 8. Minnesota Statutes 1984, section 583.07, is amended to read:

583.07 [REDUCTION OF REDEMPTION PERIOD.]

If the court grants a ~~delay in postponement~~ *of the foreclosure sale* pursuant to sections 583.01 to 583.12, the redemption period pursuant to section 580.23 ~~shall~~ *may* be reduced by an equivalent period of time provided, that in

no event shall the redemption period be less than 30 days. If the court does not grant a ~~delay in postponement~~ of the foreclosure sale, the redemption period shall be as provided in section 580.23.

Sec. 9. Minnesota Statutes 1984, section 583.10, is amended to read:

583.10 [HEARING.]

The court shall schedule and hold a hearing on the petition ~~must be held~~ within 30 days after the filing of the petition. The order therein must be made and filed within five days after the hearing. Review by the supreme court may be had by certiorari, if application for the writ is made within 15 days after notice of the order. The writ is returnable within 30 days after the filing of the order.

Sec. 10. [REPEALER.]

Laws 1983, chapter 215, section 16, as amended by Laws 1984, chapter 474, section 7, is repealed.

Sec. 11. [EFFECTIVE DATE.]

This article is effective May 1, 1985.

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "extending the provisions authorizing courts to approve postponements of mortgage foreclosure and contract for deed terminations and making them permanent law in certain cases; abolishing certain exclusionary provisions; clarifying certain provisions;"

Page 1, line 6, delete "section" and insert "sections 47.20, subdivision 15;"

Page 1, line 7, after the semicolon, insert "580.031; 583.02; 583.03; 583.04; 583.05; 583.07; and 583.10;"

Page 1, line 9, before the period, insert "and Laws 1983, chapter 215, section 16, as amended"

Mr. Isackson questioned whether the amendment was germane.

The Chair ruled that the amendment was germane.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 47 and nays 7, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Jude	Pehler	Storm
Benson	Dicklich	Kamrath	Peterson, D.C.	Stumpf
Berg	Diessner	Kroening	Peterson, D.L.	Taylor
Berglin	Dieterich	Kronebusch	Peterson, R.W.	Vega
Bernhagen	Frank	Laidig	Purfeerst	Waldorf
Bertram	Frederick	Langseth	Reichgott	Wegscheid
Brataas	Frederickson	Lantry	Renneke	Willet
Chmielewski	Gustafson	Lessard	Schmitz	
Dahl	Isackson	Luther	Sieloff	
Davis	Johnson, D.E.	Moe, R.D.	Spear	

Those who voted in the negative were:

Anderson	Knaak	Mehrkins	Olson	Ramstad
Belanger	McQuaid			

The motion prevailed. So the amendment was adopted.

S.F. No. 567 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 53 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Knaak voted in the negative.

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

SPECIAL ORDER

S.F. No. 1159: A bill for an act relating to corporations; regulating corporate take-overs and control share acquisitions; defining terms; prescribing penalties; amending Minnesota Statutes 1984, sections 80B.01, subdivisions 6, 8, and 9; 80B.03, subdivisions 1, 2, 4a, 5, and 6; 80B.05; 80B.06, subdivision 7; 80B.07, subdivision 3; 80B.10, subdivisions 1, 4, and by adding a subdivision; 302A.011, subdivisions 37, 39, and by adding a subdivision; 302A.449, subdivision 7; and 302A.671; repealing Minnesota Statutes 1984, section 80B.06, subdivisions 3, 4, and 6.

Mr. Luther moved to amend S.F. No. 1159 as follows:

Page 10, after line 30, insert:

““Acquiring person” does not include a licensed broker/dealer or licensed underwriter who (1) purchases shares of an issuing public corporation solely for purposes of resale to the public; and (2) is not acting in concert with an acquiring person.”

The motion prevailed. So the amendment was adopted.

Mr. Benson moved to amend S.F. No. 1159 as follows:

Pages 4 and 5, delete section 6.

Page 5, line 25, strike “or order”

Page 8, after line 33, insert:

“Sec. 9. Minnesota Statutes 1984, section 80B.06, subdivision 2, is amended to read:

Subd. 2. An offeror shall provide that any equity securities of a target company deposited or tendered pursuant to a take-over offer may be withdrawn by or on behalf of any offeree at any time within seven days from the date the offer has become effective under sections 80B.01 to 80B.13 and

after 60 days from the date the offer has become effective under sections 80B.01 to 80B.13, except as the commissioner may otherwise prescribe by rule ~~or order~~ for the protection of investors."

Page 9, line 15, strike "or order"

Page 9, after line 23, insert:

"Sec. 12. Minnesota Statutes 1984, section 80B.09, is amended to read:

80B.09 [INJUNCTIONS.]

Whenever it appears to the commissioner that any person, including a controlling person of an offeror or target company, has engaged or is about to engage in any act or practice constituting a violation of sections 80B.01 to 80B.13 or any rule ~~or order~~ hereunder, (1) ~~he may issue and cause to be served upon any person violating any of the provisions of sections 80B.01 to 80B.13 an order requiring the person guilty thereof to cease and desist therefrom; and~~ (2) he may bring an action in the district court of the appropriate county to enjoin the acts or practices and to enforce compliance with sections 80B.01 to 80B.13 or any rule ~~or order~~ hereunder, or he may refer the matter to the attorney general or the county attorney of the appropriate county. Upon a proper showing, the court may grant a permanent or temporary injunction or restraining order and may order rescission of any sales or purchases of securities determined to be unlawful under sections 80B.01 to 80B.13 or any rule ~~or order~~ hereunder. The court may not require the commissioner to post a bond."

Page 9, line 28, strike the comma

Page 9, strike line 29

Page 9, line 30, strike "notice,"

Page 9, after line 36, insert:

"Sec. 14. Minnesota Statutes 1984, section 80B.10, subdivision 2, is amended to read:

Subd. 2. The commissioner may refer ~~such~~ any evidence as is available concerning violations of sections 80B.01 to 80B.13 or of any rule ~~or order~~ hereunder to the attorney general or the county attorney of the appropriate county who may, with or without any reference, institute the appropriate criminal proceedings under sections 80B.01 to 80B.13. If referred to a county attorney, he shall within 90 days file with the commissioner a statement concerning any action taken or, if no action has been taken, the reasons therefor."

Page 10, line 5, strike "of any provision"

Page 10, line 6, strike everything after "hereunder"

Page 10, line 7, strike "has notice,"

Page 15, line 6, delete "section" and insert "sections 80B.03, subdivision 4a; and"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before "amending" insert "removing the authority of the commissioner of commerce to issue certain orders;"

Page 1, line 6, delete "4a,"

Page 1, line 7, delete the first "subdivision" and insert "subdivisions 2 and" and after "3;" insert "80B.09;"

Page 1, line 8, after "1," insert "2,"

Page 1, line 11, delete "section" and insert "sections 80B.03, subdivision 4a; and"

CALL OF THE SENATE

Mr. Luther imposed a call of the Senate for the balance of the proceedings on S.F. No. 1159. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Jude	McQuaid	Renneke
Belanger	Frederick	Kamrath	Mehrkens	Samuelson
Benson	Frederickson	Knaak	Novak	Sieloff
Berg	Gustafson	Knutson	Olson	Storm
Bernhagen	Isackson	Kronebusch	Peterson, D.L.	Taylor
Brataas	Johnson, D.E.	Laidig	Ramstad	Waldorf

Those who voted in the negative were:

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

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

Mr. Belanger moved to amend S.F. No. 1159 as follows:

Page 5, line 15, before "with" insert "*in consultation with the office of administrative hearings,*"

Page 5, line 17, before the period, insert "*but an administrative law judge must preside at the hearing*"

Page 5, line 20, strike "commissioner's" and insert "*administrative law judge's*"

Page 5, lines 26, 32, and 35, strike "commissioner" and insert "*administrative law judge*"

The question was taken on the adoption of the amendment.

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

The roll was called, and there were yeas 30 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Johnson, D.E.	Laidig	Ramstad
Belanger	Dieterich	Jude	McQuaid	Renneke
Benson	Frederick	Kamrath	Mehrrens	Sieloff
Berg	Frederickson	Knaak	Olson	Storm
Bernhagen	Gustafson	Knutson	Peterson, D.L.	Taylor
Bertram	Isackson	Kronebusch	Purfeerst	Waldorf

Those who voted in the negative were:

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

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

Mr. Knaak moved to amend S.F. No. 1159 as follows:

Pages 10 to 15, delete sections 15 to 19

Page 15, line 5, delete "20" and insert "15"

Page 15, line 6, delete "section" and insert "sections"

Page 15, line 7, after "6" insert "; 302A.011, subdivisions 37, 38, and 39; 302A.449, subdivision 7; and 302A.671"

Amend the title as follows:

Page 1, line 3, delete "and control share acquisitions"

Page 1, delete lines 9 and 10

Page 1, line 11, delete "section" and insert "sections"

Page 1, line 12, before the period, insert "; 302A.011, subdivisions 37, 38, and 39; 302A.449, subdivision 7; and 302A.671"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Knaak	Olson	Storm
Belanger	Frederickson	Knutson	Peterson, D.L.	Taylor
Benson	Gustafson	Kronebusch	Purfeerst	
Berg	Isackson	Laidig	Ramstad	
Bernhagen	Johnson, D.E.	McQuaid	Renneke	
Diessner	Kamrath	Mehrrens	Sieloff	

Those who voted in the negative were:

Adkins	Dicklich	Luther	Reichgott	Vega
Berglin	Frank	Moe, D.M.	Samuelson	Waldorf
Bertram	Jude	Moe, R.D.	Schmitz	Wegscheid
Dahl	Langseth	Pehler	Solon	Willet
Davis	Lantry	Peterson, D.C.	Spear	
DeCramer	Lessard	Peterson, R.W.	Stumpf	

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

S.F. No. 1159 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 53 and nays 8, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson	Dieterich	Mehrkens	Peterson, D.L.	Storm
Belanger	Frederick	Pehler		

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

CALL OF THE SENATE

Mr. Sieloff imposed a call of the Senate for the balance of this evening's Session. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Sieloff moved that H.F. No. 1382 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

CONFERENCE COMMITTEE REPORT ON H.F. NO. 1382

A bill for an act relating to courts; providing for transcript fees; amending Minnesota Statutes 1984, section 486.06.

May 6, 1985

The Honorable David M. Jennings
Speaker of the House of Representatives
The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H.F. No. 1382, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment.

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

House Conferees: (Signed) Richard J. Cohen, Charles C. Halberg, Terry Dempsey

Senate Conferees: (Signed) Ron Sieloff, Tad Jude, Bob Lessard

Mr. Sieloff moved that the foregoing recommendations and Conference

Committee Report on H.F. No. 1382 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 1382 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 43 and nays 10, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Lantry	Purfeerst	Storm
Belanger	Frederickson	Lessard	Ramstad	Stumpf
Benson	Gustafson	Luther	Reichgott	Taylor
Berg	Jude	McQuaid	Renneke	Vega
Berglin	Kamrath	Mehrkins	Samuelson	Waldorf
Bernhagen	Knaak	Moe, D.M.	Schmitz	Wegscheid
Davis	Knutson	Peterson, D.C.	Sieloff	Willet
DeCramer	Kronebusch	Peterson, D.L.	Solon	
Dicklich	Laidig	Peterson, R.W.	Spear	

Those who voted in the negative were:

Anderson	Dahl	Frank	Johnson, D.E.	Nelson
Bertram	Diessner	Isackson	Moe, R.D.	Pehler

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

RECONSIDERATION

Mr. Purfeerst moved that the vote whereby H.F. No. 755 failed to pass the Senate on May 7, 1985, be now reconsidered. The motion prevailed.

H.F. No. 755: A bill for an act relating to horseracing; authorizing the legislative auditor to perform certain audits; authorizing the commission to adopt certain medication rules; authorizing the attorney general to prosecute certain felonies; amending Minnesota Statutes 1984, sections 240.02, by adding a subdivision; 240.24; and 240.26, by adding a subdivision.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 45 and nays 9, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Nelson	Schmitz
Anderson	Dieterich	Kroening	Peterson, D.C.	Solon
Berg	Frederick	Langseth	Peterson, D.L.	Spear
Bernhagen	Frederickson	Lantry	Peterson, R.W.	Storm
Bertram	Gustafson	Lessard	Pogemiller	Stumpf
Brataas	Isackson	Luther	Purfeerst	Vega
Dahl	Johnson, D.E.	McQuaid	Ramstad	Waldorf
Davis	Jude	Mehrkins	Reichgott	Wegscheid
Dicklich	Kamrath	Moe, R.D.	Samuelson	Willet

Those who voted in the negative were:

Berglin	Knaak	Laidig	Pehler	Renneke
Frank	Kronebusch	Merriam	Petty	

The motion prevailed.

Mr. Benson moved to amend H.F. No. 755 as amended by the Dieterich amendment, adopted by the Senate May 7, 1985, as follows:

Page 1, line 8 of the Dieterich amendment, delete "may" and insert "shall"

Page 2, line 18 of H.F. No. 755, delete "may" and insert "shall"

Page 2, after line 28 of H.F. No. 755, insert:

"Sec. 4. [RULES.]

Notwithstanding chapter 14, the emergency rules adopted under section 2 shall expire on November 15, 1985, and the commission must publish proposed permanent rules under Minnesota Statutes, sections 14.14 to 14.28, by October 1, 1985."

Page 2, line 30 of H.F. No. 755, delete "3" and insert "4"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "authorizing" and insert "requiring"

The motion prevailed. So the amendment was adopted.

Mr. Dieterich moved to amend the Dieterich amendment to H.F. No. 755, adopted by the Senate May 7, 1985, as follows:

Page 1, line 15, delete "five" and insert "three"

The motion prevailed. So the amendment was adopted.

H.F. No. 755 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 48 and nays 16, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Novak	Sieloff
Anderson	Dicklich	Knutson	Olson	Solon
Belanger	Diessner	Kronebusch	Peterson, D.C.	Storm
Benson	Dieterich	Langseth	Peterson, D.L.	Stumpf
Berg	Frank	Lessard	Peterson, R.W.	Taylor
Bertram	Frederick	Luther	Pogemiller	Vega
Brataas	Frederickson	McQuaid	Purfeerst	Wegscheid
Chmielewski	Gustafson	Mehrkens	Ramstad	Willet
Dahl	Isackson	Moe, R.D.	Reichgott	
Davis	Johnson, D.E.	Nelson	Schmitz	

Those who voted in the negative were:

Berglin	Kroening	Merriam	Peterson, C.C.	Samuelson
Bernhagen	Laidig	Moe, D.M.	Petty	Spear
Jude	Lantry	Pehler	Renneke	Waldorf
Knaak				

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

SPECIAL ORDER

H.F. No. 242: A bill for an act relating to commerce; requiring manufac-

turers to make certain new motor vehicle warranty disclosures directly to consumers; amending Minnesota Statutes 1984, section 325F.665, subdivision 3.

Mr. Davis moved to amend H.F. No. 242 as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1984, section 325F.665, subdivision 1, is amended to read:

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

(a) "agricultural vehicle" means:

(1) a farm truck as defined in section 168.011, subdivision 17;

(2) a farm tractor as defined in section 169.01, subdivision 8; and

(3) an implement of husbandry, as defined in section 169.01, subdivision 55, that is self-propelled.

~~(a)~~ (b) "consumer" means the purchaser, other than for purposes of resale, of a new motor vehicle used for personal, family, or household, or agricultural purposes at least 40 percent of the time, a person to whom the new motor vehicle is transferred for the same purposes during the duration of an express warranty applicable to the motor vehicle, and any other person entitled by the terms of the warranty to enforce the obligations of the warranty; in the case of a second purchase of an agricultural vehicle within the warranty period, the sale must be made through an authorized farm equipment dealer;

~~(b)~~ (c) "manufacturer" means a person engaged in the business of manufacturing, assembling or distributing motor vehicles, who will, under normal business conditions during the year, manufacture, assemble or distribute to dealers at least ten new motor vehicles;

~~(c)~~ (d) "manufacturer's express warranty" and "warranty" mean the written warranty of the manufacturer of a new motor vehicle of its condition and fitness for use, including any terms or conditions precedent to the enforcement of obligations under that warranty; and

~~(d)~~ (e) "motor vehicle" means (1) a passenger automobile as defined in section 168.011, subdivision 7, including pickup trucks and vans, ~~and~~ (2) the self-propelled motor vehicle chassis or van portion of recreational equipment as defined in section 168.011, subdivision 25, and (3) an agricultural vehicle, which is sold to a consumer in this state."

Page 1, line 24, after the comma insert "if applicable"

Page 2, line 2, after the period insert "For agricultural vehicles, "reasonable allowance for prior use" means the fair rental value of the agricultural vehicle calculated in accordance with the "Tractor and Farm Equipment Trade-In Guide" published by the national farm and power equipment dealers association and is the sum of:

(1) the amount attributable to use by the consumer prior to the consumer's first report of the nonconformity to the manufacturer or its authorized

dealers;

(2) *the amount attributable to use by the consumer during any period subsequent to the report when the vehicle is not out of service by reason of repair of the reported nonconformity; and*

(3) *the amount attributable to use by the consumer of the farm tractor provided by the manufacturer or its authorized dealers while the farm tractor is out of service by reason of repair of the reported nonconformity."*

Page 2, line 4, before the period insert *" , or the county recorder of the debtor's residence"*

Page 2, line 24, after *"days"* insert *" , for agricultural vehicles the vehicle is out of service for a cumulative total of 60 or more business days,"*

Page 3, line 2, after *"period"* insert *"or the 60-day period for an agricultural vehicle"*

Page 3, after line 23, insert:

"(g) For an agricultural vehicle, other than a farm tractor defined in section 169.01, subdivision 8, and a farm truck defined in section 168.011, subdivision 17, the manufacturer's and dealer's duty to repair, replace, or refund under this section applies only to the motor and power train of the agricultural vehicle.

Sec. 3. Minnesota Statutes 1984, section 325F.665, subdivision 4, is amended to read:

Subd. 4. [RESALE OF RETURNED MOTOR VEHICLE.] (a) If a motor vehicle has been returned under the provisions of subdivision 3 or a similar statute of another state, it may not be resold in this state unless:

(1) the manufacturer provides the same express warranty it provided to the original purchaser, except that the term of the warranty need only last for 12,000 miles or 12 months after the date of resale, whichever is earlier, *or for an agricultural vehicle that does not have an odometer, 600 hours or 12 months, whichever is earlier; and*

(2) the manufacturer provides the consumer with a written statement on a separate piece of paper, in ten point all capital type, in substantially the following form: **"IMPORTANT: THIS VEHICLE WAS RETURNED TO THE MANUFACTURER BECAUSE IT DID NOT CONFORM TO THE MANUFACTURER'S EXPRESS WARRANTY AND THE NONCONFORMITY WAS NOT CURED WITHIN A REASONABLE TIME AS PROVIDED BY MINNESOTA LAW."**

The provisions of this section apply to the resold motor vehicle for full term of the warranty required under this subdivision.

(b) Notwithstanding the provisions of paragraph (a), if a new motor vehicle has been returned under the provisions of subdivision 3 or a similar statute of another state because of a nonconformity resulting in a complete failure of the braking or steering system of the motor vehicle likely to cause death or serious bodily injury if the vehicle was driven, the motor vehicle may not be resold in this state."

Page 3, line 25, delete *"Section 1 is"* and insert *"Sections 1, 2, and 3*

are”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert “requiring the repair, refund, or replacement of new motor vehicles used for agricultural purposes;”

Page 1, line 5, delete “subdivision 3” and insert “subdivisions 1, 3, and 4”

The motion prevailed. So the amendment was adopted.

H.F. No. 242 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 58 and nays 2, as follows:

Those who voted in the affirmative were:

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

Messrs. Bertram and Schmitz voted in the negative.

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

SPECIAL ORDER

H.F. No. 876: A bill for an act relating to hazardous waste; establishing a hazardous substance compensation trust account; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 115B.

Mr. Luther moved to amend H.F. No. 876, the second unofficial engrossment, as follows:

Page 4, line 28, before the period insert: “;

(4) limit access to information collected and maintained by the board and take any other action necessary to protect privileged or confidential information”

Page 6, line 31, after “PROHIBITED” insert “IN CERTAIN CASES”

Page 6, line 33, delete “upon whose claim the board has made a determination” and insert “who has received and accepted an award from the board”

Page 6, line 35, delete everything after the period

Page 6, delete line 36

Page 7, delete lines 1 to 9

Page 7, after line 16, insert:

"Subd. 3. [SIMULTANEOUS CLAIM AND COURT ACTION PROHIBITED.] A claimant may not commence a court action to recover for any injury or damage for which the claimant seeks compensation from the fund during the time that a claim is pending before the board. A person may not file a claim with the board for compensation for any injury or damage for which the claimant seeks to recover in a pending court action. The time for filing a claim under section 6 or the statute of limitations for any civil action is suspended during the period of time that a claimant is precluded from filing a claim or commencing an action under this subdivision."

Page 12, delete lines 30 to 33

Mr. Sieloff moved to amend the Luther amendment to H.F. No. 876, the second unofficial engrossment, as follows:

Page 1, delete lines 3 to 6 of the Luther amendment, and insert:

"Page 1, line 28, before "DEFINITIONS" insert "PURPOSE;"

Page 1, after line 28, insert:

"Subdivision 1. [PURPOSE.] It is the purpose of sections 3 to 14 to provide an alternative system of compensation for certain persons who have been injured or damaged by the release of a hazardous substance. Nothing in these sections shall be construed to circumvent practices and procedures in court actions, permit the discovery of privileged or confidential information, or otherwise prejudice the rights and interests of parties to judicial proceedings."

Renumber the subdivisions in sequence

Page 2, line 36, after the period insert *"Payment of claims is subject to the limitations contained in section 12."*

Page 4, line 32, delete *"deciding the claim"* and insert *"a standard for determination of a claim under section 9"*

Page 5, after line 14, insert:

"Subd. 4. [TREATMENT OF INFORMATION.] Data collected and maintained by the board are classified as confidential data on individuals or protected nonpublic data, as defined in section 13.02. Written materials and other tangible things given to the board in the investigation of a claim must be returned to the person who provided the material after a final decision is made by the board. If the board applies to a district court for an order to compel compliance with a request for information under subdivision 3, data maintained by the court in the proceeding are classified as confidential or protected nonpublic data, except that the court data are accessible to the person or the person's attorney against whom the order is sought."

Page 5, line 15, delete *"4"* and insert *"5"*

Page 1, delete lines 9 to 27 of the Luther amendment, and insert:

"Page 6, line 33, delete "upon whose claim the board has made a determination" and insert "who has received an award from the board"

Page 6, line 35, after the period insert *"A decision by the board to grant or deny compensation is inadmissible as evidence in any court action. Data collected and maintained by the board are inadmissible as evidence in any court action except to the extent that the data are otherwise available to a party or discovered under the applicable rules of civil or criminal procedure."*

Page 12, line 16, after the period insert *"Notwithstanding the provisions of section 471.705, the appearance is not a meeting open to the public."*

Page 12, line 19, after the period insert *"All proceedings of the board, including the taking of testimony, must be closed to the public and the testimony of witnesses other than the claimant must be taken outside of the presence of the claimant or the claimant's attorney."*

Page 12, lines 22 and 23, delete *"and include the reasons for the decision"*

Page 12, line 35, before *"If"* insert *"Subdivision 1. [AMOUNT.]"*

Page 13, delete lines 9 and 10, and insert:

"Subd. 2. [FORM.] Compensation representing medical expenses or other expenses or losses already incurred by the claimant may be awarded in a lump sum. The board shall establish procedures to ensure that compensation representing services, products, or accommodations supplied for the claimant is used to pay for the services, products, or accommodations and may order that all or part of an award be paid directly to a supplier. Compensation representing future losses and expenses shall be paid in installments in the form of a level annuity the duration of which is measured by the duration of the injury sustained."

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

The roll was called, and there were yeas 32 and nays 34, as follows:

Those who voted in the affirmative were:

Adkins	Brataas	Jude	McQuaid	Sieloff
Anderson	Chmielewski	Kamrath	Mehrkens	Storm
Belanger	Frederick	Knutson	Olson	Taylor
Benson	Frederickson	Kronebusch	Peterson, D.L.	Wegscheid
Berg	Gustafson	Laidig	Ramstad	
Bernhagen	Isackson	Langseth	Renneke	
Bertram	Johnson, D.E.	Lessard	Samuelson	

Those who voted in the negative were:

Berglin	Frank	Merriam	Peterson, D.C.	Solon
Dahl	Hughes	Moe, D.M.	Peterson, R.W.	Spear
Davis	Johnson, D.J.	Moe, R.D.	Petty	Stumpf
DeCramer	Knaak	Nelson	Pogemiller	Vega
Dicklich	Kroening	Novak	Purfeerst	Waldorf
Diessner	Lantry	Pehler	Reichgott	Willet
Dieterich	Luther	Peterson, C.C.	Schnitz	

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

The question recurred on the Luther amendment.

The roll was called, and there were yeas 36 and nays 29, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson	Chmielewski	Jude	Lessard	Renneke
Belanger	Frederick	Kamrath	McQuaid	Sieloff
Berg	Frederickson	Knutson	Mehrrens	Storm
Bernhagen	Gustafson	Kronebusch	Olson	Taylor
Bertram	Isackson	Laidig	Peterson, D.L.	Wegscheid
Brataas	Johnson, D.E.	Langseth	Ramstad	

The motion prevailed. So the amendment was adopted.

Mr. Kamrath moved to amend H.F. No. 876, the second unofficial engrossment, as follows:

Page 2, delete lines 5 to 7

Renumber the subdivisions in sequence

Page 5, line 27, delete "AND PROPERTY DAMAGE"

Page 6, line 11, delete "ELIGIBLE" and after "DAMAGE" insert "IN-ELIGIBLE" and delete "real"

Page 6, line 12, after "is" insert "not"

Page 6, line 13, delete everything after "fund"

Page 6, delete lines 14 to 17

Page 6, line 18, delete "person"

Page 6, line 22, delete "for personal injury"

Page 6, delete lines 25 and 26

Page 6, line 27, before "Notwithstanding" insert "(b)"

Page 8, delete lines 8 to 10 and delete lines 32 to 36

Renumber the clauses in sequence

Page 8, line 20, delete everything before "The"

Page 9, delete lines 1 to 5

Page 9, line 6, delete "3" and insert "2"

Page 9, line 19, delete everything before "Losses"

Page 9, line 20, delete "for personal injury"

Page 10, delete lines 28 to 36

Page 11, delete lines 1 to 24

Page 13, line 3, delete "or damage"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 46, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Isackson	McQuaid	Renneke
Belanger	Frederick	Kamrath	Mehrkens	Sieloff
Benson	Frederickson	Knutson	Olson	Storm
Bernhagen	Gustafson	Kronebusch	Peterson, D.L.	Taylor

Those who voted in the negative were:

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

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

Mr. Laidig moved to amend H.F. No. 876, the second unofficial engrossment, as follows:

Page 3, line 5, before the period insert "*with the advice and consent of the senate*"

The motion prevailed. So the amendment was adopted.

Mr. Lessard moved to amend H.F. No. 876, the second unofficial engrossment, as follows:

Page 7, after line 9, insert:

"In any action brought under this section to recover damages for wrongful death, personal injury or disease, or property damage arising out of the release of a hazardous substance, the total fees charged by all attorneys representing the plaintiff shall not exceed 15 percent of the amount awarded to the plaintiff by the court."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 41 and nays 22, as follows:

Those who voted in the affirmative were:

Adkins	Chmielewski	Johnson, D.E.	Nelson	Stumpf
Anderson	Davis	Johnson, D.J.	Novak	Taylor
Belanger	DeCramer	Jude	Olson	Vega
Benson	Dicklich	Kamrath	Peterson, D.L.	Waldorf
Berg	Frank	Kronebusch	Petty	Willet
Berglin	Frederick	Langseth	Renneke	
Bernhagen	Frederickson	Lessard	Samuelson	
Bertram	Gustafson	McQuaid	Sieloff	
Brataas	Isackson	Mehrkens	Solon	

Those who voted in the negative were:

Dahl	Knutson	Merriam	Pogemiller	Storm
Diessner	Kroening	Moe, R.D.	Ramstad	Wegscheid
Dieterich	Laidig	Peterson, C.C.	Reichgott	
Hughes	Lantry	Peterson, D.C.	Schmitz	
Knaak	Luther	Peterson, R.W.	Spear	

The motion prevailed. So the amendment was adopted.

Mr. Luther moved to amend H.F. No. 876, the second unofficial engrossment, as follows:

Page 6, line 35, after the period, insert "*The findings and decision of the board are inadmissible in any court action.*"

Mr. Sieloff moved to amend the second Luther amendment to H.F. No. 876, the second unofficial engrossment, as follows:

Page 1, line 3, after "*The*" and before "*findings*" insert "*documentary evidence,*"

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

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

Those who voted in the affirmative were:

Adkins	Chmielewski	Jude	Lessard	Sieloff
Anderson	Diessner	Kamrath	McQuaid	Storm
Belanger	Frederick	Knaak	Mehrkens	Taylor
Benson	Frederickson	Knutson	Olson	Waldorf
Berg	Gustafson	Kronebusch	Peterson, D.L.	Wegscheid
Bernhagen	Isackson	Laidig	Ramstad	
Brataas	Johnson, D.E.	Langseth	Renneke	

Those who voted in the negative were:

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

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

The question recurred on the Luther amendment.

The motion prevailed. So the amendment was adopted.

H.F. No. 876 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 59 and nays 7, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Bernhagen
Frederick

Isackson
Kamrath

Knutson

Peterson, D.L.

Sieloff

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

SPECIAL ORDER

S.F. No. 1429: A bill for an act relating to state government; providing for indemnification of judges and employees of the legislative and judicial branches from tort, civil, or equitable claims; preserving immunities; amending Minnesota Statutes 1984, sections 3.732, subdivision 1; and 3.736, subdivisions 1 and 9.

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 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

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; providing for appeals; amending Minnesota Statutes 1984, sections 112.36, subdivision 2; 112.37, subdivision 1a; 112.401; and 473.882, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 112; repealing Minnesota Statutes 1984, section 112.37, subdivision 6.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 37 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Lessard	Peterson, R.W.	Sieloff
Berglin	Frank	Luther	Petty	Spear
Bertram	Freeman	Merriam	Pogemiller	Stumpf
Chmielewski	Hughes	Moe, R.D.	Purfeerst	Waldorf
Dahl	Jude	Nelson	Reichgott	Willet
Davis	Knaak	Pehler	Renneke	
DeCramer	Kroening	Peterson, C.C.	Samuelson	
Dicklich	Lantry	Peterson, D.C.	Schmitz	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 345: A bill for an act relating to insurance; no-fault automobile; providing mandatory underinsured motorist coverage; clarifying legislative intent concerning stacking of insurance policies; coordinating the priority of applicability of security for the payment of certain benefits; amending Minnesota Statutes 1984, sections 65B.43, by adding subdivisions; 65B.47, by adding a subdivision; 65B.49, subdivision 4, and by adding a subdivision; and 65B.70, by adding a subdivision.

Mr. Petty moved to amend H.F. No. 345, the unofficial engrossment, as follows:

Page 2, after line 16, insert:

“Sec. 6. Minnesota Statutes 1984, section 65B.44, subdivision 1, is amended to read:

Subdivision 1. [INCLUSIONS.] Basic economic loss benefits shall provide reimbursement for all loss suffered through injury arising out of the maintenance or use of a motor vehicle, subject to any applicable deductibles, exclusions, disqualifications, and other conditions, and shall provide a maximum of ~~\$30,000~~ \$40,000 for loss arising out of the injury of any one person, consisting of:

(a) \$20,000 for medical expense loss arising out of injury to any one person; and

(b) A total of ~~\$10,000~~ \$20,000 for income loss, replacement services loss, funeral expense loss, survivor's economic loss, and survivor's replacement services loss arising out of the injury to any one person.

Sec. 7. Minnesota Statutes 1984, section 65B.44, subdivision 3, is amended to read:

Subd. 3. [DISABILITY AND INCOME LOSS BENEFITS.] Disability and income loss benefits shall provide compensation for 85 percent of the injured person's loss of present and future gross income from inability to work proximately caused by the nonfatal injury subject to a maximum of ~~\$200~~ \$250 per week. Loss of income includes the costs incurred by a self-employed person to hire substitute employees to perform tasks which are necessary to maintain his income, which he normally performs himself, and which he cannot perform because of his injury.

If the injured person is unemployed at the time of injury and is receiving or is eligible to receive unemployment benefits under chapter 268, but the injured person loses his eligibility for those benefits because of inability to work caused by the injury, disability and income loss benefits shall provide compensation for the lost benefits in an amount equal to the unemployment benefits which otherwise would have been payable, subject to a maximum of ~~\$200~~ \$250 per week.

Compensation under this subdivision shall be reduced by any income from substitute work actually performed by the injured person or by income the injured person would have earned in available appropriate substitute work which he was capable of performing but unreasonably failed to undertake.

For the purposes of this section “inability to work” means disability

which prevents the injured person from engaging in any substantial gainful occupation or employment on a regular basis, for wage or profit, for which he is or may by training become reasonably qualified. If the injured person returns to his employment and is unable by reason of his injury to work continuously, compensation for lost income shall be reduced by the income received while he is actually able to work. The weekly maximums may not be prorated to arrive at a daily maximum, even if the injured person does not incur loss of income for a full week."

Page 3, after line 4, insert:

"Sec. 8. Minnesota Statutes 1984, section 65B.49, subdivision 3, is amended to read:

Subd. 3. [RESIDUAL LIABILITY INSURANCE.] (1) Each plan of reparation security shall also contain stated limits of liability, exclusive of interest and costs, with respect to each vehicle for which coverage is thereby granted, of not less than ~~\$25,000~~ \$30,000 because of bodily injury to one person in any one accident and, subject to said limit for one person, of not less than ~~\$50,000~~ \$60,000 because of injury to two or more persons in any one accident, and, if the accident has resulted in injury to or destruction of property, of not less than \$10,000 because of such injury to or destruction of property of others in any one accident.

(2) Under residual liability insurance the reparation obligor shall be liable to pay, on behalf of the insured, sums which the insured is legally obligated to pay as damages because of bodily injury and property damage arising out of the ownership, maintenance or use of a motor vehicle if the injury or damage occurs within this state, the United States of America, its territories or possessions, or Canada. A reparation obligor shall also be liable to pay sums which another reparation obligor is entitled to recover under the indemnity provisions of section 65B.53, subdivision 1.

(3) Every plan of reparation security shall be subject to the following provisions which need not be contained therein:

(a) The liability of the reparation obligor with respect to the residual liability coverage required by this clause shall become absolute whenever injury or damage occurs; such liability may not be cancelled or annulled by any agreement between the reparation obligor and the insured after the occurrence of the injury or damage; no statement made by the insured or on his behalf and no violation of said policy shall defeat or void said policy.

(b) The satisfaction by the insured of a judgment for such injury or damage shall not be a condition precedent to the right or duty of the reparation obligor to make payment on account of such injury or damage.

(c) The reparation obligor shall have the right to settle any claim covered by the residual liability insurance policy, and if such settlement is made in good faith, the amount thereof shall be deductible from the limits of liability for the accident out of which such claim arose."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Ms. Olson moved to amend H.F. No. 345, the unofficial engrossment, as follows:

Page 2, line 19, delete everything after "7."

Page 2, delete lines 20 and 21 and insert "*Unless a policyholder makes a specific election to have two or more policies added together*"

Page 2, line 23, after "*vehicles*" insert "*may not*"

The motion prevailed. So the amendment was adopted.

H.F. No. 345 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 31 and nays 35, as follows:

Those who voted in the affirmative were:

Adkins	Brataas	Kamrath	Mehrkens	Taylor
Anderson	DeCramer	Knaak	Moe, D.M.	Waldorf
Belanger	Frederick	Knutson	Moe, R.D.	Wegscheid
Benson	Frederickson	Kronebusch	Nelson	
Berg	Gustafson	Laidig	Peterson, D.L.	
Bernhagen	Isackson	Lessard	Renneke	
Bertram	Johnson, D.E.	McQuaid	Sieloff	

Those who voted in the negative were:

Berglin	Freeman	Luther	Peterson, R.W.	Schmitz
Chmielewski	Hughes	Merriam	Petty	Solon
Dahl	Johnson, D.J.	Novak	Pogemiller	Spear
Davis	Jude	Olson	Purfeerst	Storm
Dicklich	Kroening	Pehler	Ramstad	Stumpf
Diessner	Langseth	Peterson, C.C.	Reichgott	Vega
Frank	Lantry	Peterson, D.C.	Samuelson	Willet

So the bill, as amended, failed to pass.

Without objection, the Senate reverted to the Orders of Business of Messages From the House, Reports of Committees and Second Reading of Senate Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 88:

H.F. No. 88: A bill for an act relating to education; providing for aids to education, aids to libraries, state payments for teacher retirement contributions, and the distribution of tax revenues; granting certain powers and duties to school boards, school districts, the state board of education, the board of teaching, and the higher education coordinating board; modifying certain components of foundation aid; modifying the basic maintenance mill rate; modifying computation of pupil units; repealing revenue equity; modifying the computation of summer program aid, transportation aid, special education aid, secondary vocational aid, and other aids; establishing an aid and levy formula for excellence in teaching and curriculum; providing for a tem-

porary definition of school bus; providing for measurement of pupil progress; establishing mastery learning pilot projects; requiring state board of teaching to field test plans for assessment of new teachers; appropriating money; amending Minnesota Statutes 1984, sections 120.06, subdivision 1; 120.10, subdivision 1; 120.11; 120.15; 120.17, subdivision 3, and by adding a subdivision; 121.88; 121.882, subdivision 2, and by adding a subdivision; 121.904, subdivisions 4a and 4c; 121.912, subdivision 1; 122.86, subdivision 1; 123.33, by adding a subdivision; 123.36, subdivision 1; 123.58, by adding a subdivision; 123.705, subdivision 1; 123.742, subdivision 7, and by adding subdivisions; 123.7431, subdivision 1; 124.09; 124.14, subdivision 4; 124.17, by adding subdivisions; 124.19, subdivision 1; 124.195, subdivision 9; 124.2138, subdivision 2; 124.223; 124.225, subdivisions 1, 3, 4b, 7a, 7b, 8a, 8b, and 10; 124.246, subdivision 2; 124.247, subdivision 3; 124.26, subdivisions 1 and 6; 124.271, subdivision 2b, and by adding a subdivision; 124.2711, subdivision 1; 124.272, subdivision 3; 124.273, subdivision 1b; 124.32, subdivisions 1b, 1d, 2, 5, and 10; 124.48, by adding a subdivision; 124.573, subdivision 2; 124.574, subdivision 2b; 124.646, subdivision 1; 124A.02, subdivisions 6, 7, 8, 9, 16, and by adding a subdivision; 124A.03, subdivisions 3, 4, and by adding a subdivision; 124A.033, subdivisions 2 and 3, and by adding a subdivision; 124A.037; 124A.06, subdivisions 1 and 3a; 124A.08, subdivisions 3a and 5; 124A.10, subdivision 3a; 124A.12, subdivision 3a; 124A.14, subdivision 5a; 124A.16, subdivisions 2 and 4; 125.05, subdivisions 1 and 5; 125.12, by adding a subdivision; 125.17, by adding a subdivision; 125.185, subdivision 4; 125.60, subdivisions 3 and 7; 126.64, subdivision 2; 129B.17; 129B.20; 129B.21; 129B.35; 129B.36; 129B.38, subdivision 1; 129B.39; 129B.40; 134.31, subdivisions 2 and 3; 134.35; 134.351, subdivision 1; 136D.27; 136D.74, subdivision 2; 136D.87; 275.125, subdivisions 5b, 5d, 8, 8a, and 8b, and by adding subdivisions; 290.06, by adding a subdivision; 298.28, subdivision 1; 354.06, subdivision 1; 354.43, subdivision 3; 354A.12, subdivision 2; 355.208; 355.209; 355.287; 355.288; 355.46, subdivision 3; and Laws 1973, chapter 683, section 26, subdivision 17, as amended; Laws 1984, chapter 463, article 9, section 9; proposing coding for new law in Minnesota Statutes, chapters 121; 123; 124; 124A; 126; 129B; 134; and 136A; repealing Minnesota Statutes 1984, sections 120.17, subdivision 1a; 120.172, subdivision 3; 122.84; 122.85; 122.89; 123.3511; 123.3512; 123.3513; 124.201, subdivisions 3, 4, and 5; 124.2138, subdivision 2; 124.225, subdivisions 4a, 8c, 8d, 8e, 8f, 8g, and 8h; 124.247, subdivision 6; 124.271, subdivisions 2 and 2a; 124.273, subdivisions 2b and 5; 124.32, subdivision 9a; 124A.03, subdivision 5; 124A.035, subdivision 6; 124A.037; 125.611, subdivisions 3, 4, 5, 6, and 7; 126.64, subdivision 1; 129B.03; 129B.33; 129B.34; 275.125, subdivision 2j; 354.43, subdivisions 1, 4, and 5; 354A.12, subdivision 3; 355.46, subdivisions 1, 2, and 5; and 355.47.

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

Olsen, S.; Erickson; Thiede; Backlund and Kostohryz have been appointed as such committee on the part of the House.

House File No. 88 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 8, 1985

Mr. Nelson moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 88, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1639:

H.F. No. 1639: A bill for an act relating to state government; appropriating money to the department of transportation and other agencies with certain conditions; modifying agencies and responsibilities; providing for regulation of certain activities and practices; prescribing funds, accounts, bonding, and fees; amending Minnesota Statutes 1984, sections 15.0591, subdivision 2; 17.101, subdivision 2; 17.717, by adding a subdivision; 17A.10, subdivision 2; 17A.11; 25.39, subdivision 4; 138.94; 168.12, subdivisions 1 and 5; 174.32, subdivisions 1, 2, 3, and by adding a subdivision; 299A.01, subdivision 6; 340.14, subdivision 2; 349.12, subdivisions 11, 13, and by adding subdivisions; 349.14; 349.151; 349.16; 349.161; 349.162; 349.17; 349.18, subdivisions 1 and 2; 349.19, subdivisions 5, 6, and by adding a subdivision; 349.20; 349.21; 349.211, subdivisions 3 and 4; 349.213, subdivision 1; 349.214, subdivisions 1 and 2; 349.22, subdivision 2; 349.31, subdivision 1; 352D.02, subdivision 1; 360.024; 473.373, subdivision 4; 473.375, subdivision 4, and by adding a subdivision; 473.38, subdivision 2; 473.384, subdivision 6; 473.386, subdivision 2; 473.388; 473.39; 473.404, subdivision 7; 473.405, subdivision 12; 473.408, subdivision 4, and by adding a subdivision; 473.435, subdivision 2; 473.446, subdivisions 1, 1a, 2a, and 3; 609.75, subdivision 3; 609.761; proposing coding for new law in Minnesota Statutes, chapters 219; and 473; proposing coding for new law as Minnesota Statutes, chapter 297C; repealing Minnesota Statutes 1984, sections 17.717, subdivision 6; 349.19, subdivision 4; 349.212; 349.213, subdivision 2; 473.373, subdivisions 2 and 7; 473.384, subdivision 7; 473.408, subdivisions 3, 3A, 3B, and 5; 473.436; 473.438; and 473.446, subdivision 6.

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

Valan, Seaberg, Johnson, Poppenhagen and Kalis have been appointed as such committee on the part of the House.

House File No. 1639 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 8, 1985

Mr. Langseth moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1639, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

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

S.F. No. 1525: A bill for an act relating to the organization and operation of state government; authorizing cost containment programs in medical assistance and general assistance medical care programs; establishing a permanency planning program for children at risk of out-of-home placement; appropriating money for human services, corrections, health, and other purposes with certain conditions; amending Minnesota Statutes 1984, sections 62D.12, by adding a subdivision; 62E.06, subdivision 1; 129A.03; 214.06, subdivision 1; 241.01, subdivision 7; 241.71; 252.025, subdivision 1; 254.05; 256.045, subdivision 3, and by adding a subdivision; 256.737; 256.82, subdivision 2; 256.87, subdivision 1; 256.969, subdivisions 1, 2, and by adding a subdivision; 256B.02, by adding a subdivision; 256B.04, subdivision 14; 256B.062; 256B.19, subdivision 1; 256B.48, by adding a subdivision; 256B.69, subdivision 4; 256D.01, subdivisions 1a and 1b; 256D.03, subdivisions 4 and 6; 256D.37, subdivisions 1 and 2; 256E.08, subdivision 1; 260.311, subdivision 5; 260.38; 268.38, subdivisions 2, 10, and 11; 268.685; 290.089, subdivision 2; 363.03, by adding a subdivision; 390.11, by adding a subdivision; 393.07, subdivision 2; 401.01, subdivision 1; 401.13; 517.08, subdivisions 1b and 1c; 611A.22; and 611A.34, subdivision 1; Laws 1984, chapter 616, section 1; proposing coding for new law in Minnesota Statutes, chapters 62A; 144; 256; and 256B; proposing coding for new law as Minnesota Statutes, chapter 256F; repealing Minnesota Statutes 1984, sections 256.045, subdivision 2; 256.966, subdivision 2; 256.967; 259.405; and 268.686.

Senate File No. 1525 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 8, 1985

Mr. Samuelson moved that the Senate do not concur in the amendments by the House to S.F. No. 1525, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

REPORTS OF COMMITTEES

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

S.F. No. 304: A bill for an act relating to transportation; motor carriers; establishing a gross vehicle weight limitation for state trunk highways; revising the gross weight seasonal zone; providing for ten percent overweight allowance for movement of potatoes and sugar beets; requiring a local programming plan to upgrade market arteries; providing that 12 citizens may challenge a seasonal weight restriction imposed by the commissioner; amending Minnesota Statutes 1984, sections 169.81, subdivision 2; 169.825, subdivisions 10 and 11, and by adding a subdivision; 169.86, subdivisions 1a, 2, and by adding a subdivision; and 169.87, subdivision 1, and by adding a subdivision.

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

as follows:

Page 1, after line 16, insert:

"Section 1. Minnesota Statutes 1984, section 168.013, subdivision 1e, is amended to read:

Subd. 1e. [TRUCKS; TRACTORS; COMBINATIONS; EXCEPTIONS.] On trucks and tractors except those in this chapter defined as farm trucks, and urban trucks, and on truck-tractor and semitrailer combinations except those defined as farm combinations and urban combinations and on commercial zone vehicles, the tax based on total gross weight shall be graduated according to the Minnesota base rate schedule prescribed in this subdivision, but in no event less than \$120.

Minnesota Base Rate Schedule

Scheduled taxes include five percent
surtax provided for in subdivision 14

TOTAL GROSS WEIGHT IN POUNDS		TAX
A	0 - 1,500	\$ 15
B	1,501 - 3,000	20
C	3,001 - 4,500	25
D	4,501 - 6,000	35
E	6,001 - 9,000	45
F	9,001 - 12,000	70
G	12,001 - 15,000	105
H	15,001 - 18,000	145
I	18,001 - 21,000	190
J	21,001 - 26,000	270
K	26,001 - 33,000	360
L	33,001 - 39,000	470
M	39,001 - 45,000	590
N	45,001 - 51,000	710
O	51,001 - 57,000	860
P	57,001 - 63,000	1010
Q	63,001 - 69,000	1180
R	69,001 - 73,280	1320
S	73,281 - 78,000	1520 1595
T	78,001 - 81,000	1620 1760

For each vehicle with a gross weight in excess of 81,000 pounds an additional tax of \$50 is imposed for each ton or fraction thereof in excess of 81,000 pounds, subject to subdivision 12.

For the registration year 1987 and each subsequent registration year through 1991, the commissioner of revenue shall recompute and publish the tax rates provided in the Minnesota base rate schedule, including the tax provided for vehicles with a gross weight in excess of 81,000 pounds. The commissioner shall calculate the new rates by increasing each rate in effect at the time of the calculation by four percent. The calculation for each registration year must be published by the previous July 1. The rates calculated under this subdivision must be rounded to the nearest dollar and are effective for all vehicles taxed under the Minnesota base rate schedule.

Truck-tractors except those herein defined as farm and urban truck-tractors and commercial zone vehicles shall be taxed in accord with the foregoing gross weight tax schedule on the basis of the combined gross weight of the truck-tractor and any semitrailer or semitrailers which the applicant proposes to combine with the truck-tractor. In addition, to the gross weight tax imposed on the truck-tractor, each semitrailer shall be taxed a fee of \$10 for a one-year period or \$50 for a five-year period whichever the applicant elects.

Commercial zone trucks include only trucks, truck-tractors, and semitrailer combinations which are:

(1) used by an authorized local cartage carrier operating under a permit issued under section 221.296 and whose gross transportation revenue consists of at least 60 percent obtained solely from local cartage carriage, and are operated solely within an area composed of two contiguous cities of the first class and municipalities contiguous thereto as defined by section 221.011, subdivision 17; or,

(2) operated by an interstate carrier registered under section 221.61 or 221.62, or by an authorized local cartage carrier or other carrier receiving operating authority under chapter 221, and operated solely within a zone exempt from regulation by the interstate commerce commission pursuant to United States Code, title 49, section 10526(b).

The license plates issued for commercial zone vehicles shall be plainly marked. A person operating a commercial zone vehicle outside the zone or area in which its operation is authorized is guilty of a misdemeanor and, in addition to the penalty therefor, shall have the registration of the vehicle as a commercial zone vehicle revoked by the registrar and shall be required to reregister the vehicle at 100 percent of the full annual tax prescribed in the Minnesota base rate schedule, and no part of this tax shall be refunded during the balance of the registration year.

On commercial zone trucks the tax shall be based on the total gross weight of the vehicle and during the first eight years of vehicle life shall be 75 percent of the Minnesota base rate schedule. During the ninth and succeeding years of vehicle life the tax shall be 50 percent of the Minnesota base rate schedule, except as otherwise provided in this subdivision. On commercial zone trucks, during the ninth and succeeding years of vehicle life, the tax shall be:

(a) for the 1982 registration year, 35 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the 1983 registration year, 40 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 45 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year, and each succeeding year, 50 percent of the tax imposed in the Minnesota base rate schedule.

On trucks, truck-tractors and semitrailer combinations, except those defined as farm trucks and farm combinations, and except for those urban trucks and combinations and commercial zone vehicles specifically provided for in this subdivision, the tax for the first eight years of vehicle life shall be

100 percent of the tax imposed in the Minnesota base rate schedule, and during the ninth and succeeding years of vehicle life, the tax shall be 75 percent of the Minnesota base rate prescribed by this subdivision, except as otherwise provided in this subdivision.

On trucks, truck-tractors and semitrailer combinations, except those defined as farm trucks and farm combinations, and except for those urban trucks and combinations and commercial zone vehicles specifically provided for in this subdivision, during each of the first eight years of vehicle life the tax shall be:

(a) for the registration year 1982, 83 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the registration year 1983, 89 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the registration year 1984, 95 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the registration year 1985, and each succeeding year, 100 percent of the tax imposed in the Minnesota base rate schedule."

Page 3, after line 6, insert:

"Sec. 4. Minnesota Statutes 1984, section 169.825, subdivision 8, is amended to read:

Subd. 8. [PNEUMATIC-TIRED VEHICLES.] No vehicle or combination of vehicles equipped with pneumatic tires shall be operated upon the highways of this state:

(a) Where the gross weight on any wheel exceeds 9,000 pounds, except that on designated *local routes and state trunk highways* the gross weight on any single wheel shall not exceed 10,000 pounds;

(b) Where the gross weight on any single axle exceeds 18,000 pounds, except that on designated *local routes and state trunk highways* the gross weight on any single axle shall not exceed 20,000 pounds;

(c) Where the maximum wheel load exceeds 600 pounds per inch of tire width or the manufacturer's recommended load, whichever is less;

(d) Where the gross weight on any axle of a tridem exceeds 15,000 pounds, except that for vehicles to which an additional axle has been added prior to June 1, 1981, the maximum gross weight on any axle of a tridem may be up to 16,000 pounds provided the gross weight of the tridem combination does not exceed 37,000 pounds where the first and third axles of the tridem are spaced seven feet apart; 38,500 pounds where the first and third axles of the tridem are spaced eight feet apart; and 39,900 pounds where the first and third axles of the tridem are spaced nine feet apart.

(e) Where the gross weight on any group of axles exceeds the weights permitted under this section with any or all of the interior axles disregarded and their gross weights subtracted from the gross weight of all axles of the group under consideration."

Page 4, strike lines 2, 4, 6, and 8

Page 6, line 20, strike "74,000" and insert "(74,000)"

Page 6, line 21, strike "74,500" and insert "(74,500)"

Page 6, line 22, strike "75,000" and insert "(75,000)"

Page 6, line 23, strike "75,500" and insert "(75,500)"

Page 6, line 24, strike "76,500" and insert "(76,500)"

Page 6, line 25, strike "77,000" and insert "(77,000)"

Page 6, line 26, strike "77,500" and insert "(77,500)"

Page 6, line 27, strike "78,000" and insert "(78,000)"

Page 6, line 28, strike "79,000" and insert "(79,000)"

Page 6, line 29, strike "79,500" and insert "(79,500)"

Page 6, line 30, strike "80,000" and insert "(80,000)"

Page 6, line 32, before "routes" insert "state trunk highways and"

Page 7, lines 14 and 18, after "highways" insert "and routes"

Page 9, line 2, after "on" insert "local and county"

Page 9, after line 3, insert:

"Sec. 7. Minnesota Statutes 1984, section 169.833, is amended to read:

169.833 [ADDITION OF TRUNK HIGHWAYS TO DESIGNATED ROUTE SYSTEM; PRIORITY LIST.]

Subdivision 1. [PRIORITY LIST PREPARED.] (a) By December 31 of each odd-numbered year beginning in 1985, each highway district must submit to the commissioner its list of identified market arteries and recommended priorities for upgrading. The priority list must be prepared in accordance with this section by the district engineer in consultation with county and city engineers in the district. Each district engineer must hold one or more public meetings on the list and report to the commissioner in detail how the district upgrading priority list reflects testimony received in the public meetings.

(b) In making its priority list each district must consider the priorities of counties, municipalities, regions and adjoining districts. Each district must submit to the commissioner a preliminary list of market arteries identified for upgrading by September 1, 1985.

Subd. 2. [SELECTION OF MARKET ARTERIES.] The district priority list must identify all market arteries and determine those in need of upgrading. Roads considered for identification as market arteries must include roads connecting Minnesota with border states and provinces, roads connecting interstate highways with state trunk highways, and roads connecting trunk highways with one another. In determining the need for upgrading market arteries, the district must consider shippers' needs, community views, road conditions, regional development plans and the plans of adjoining districts. In identifying market arteries and determining the need for upgrading, the district must give priority to roads serving communities without access to rail service or a year-round, ten-ton route.

~~Subdivision 4~~ *Subd. 3. [IDENTIFICATION OF PROJECTS.] The com-*

missioner shall develop a priority list of trunk highway routes to be added to the system of routes designated under section 169.832 improvements to upgrade market arteries identified in the district priority lists developed under this section. The commissioner shall consult with representatives of the trucking, shipping, and agricultural industries and, local authorities, and regional development commissions in developing the list. A route shall be added to the designated route system after completion of road improvements that provide road strength adequate to carry the permissible weights under section 169.825 or when the commissioner otherwise determines that designation of a route is reasonable. In developing the list the commissioner shall give highest priority to improvements that will eliminate prohibitions or restrictions that interrupt year-round full service on market arteries.

Subd. 2. [FUNDING OF ADDITIONS TO THE SYSTEM.] On July 1 of each year the commissioner of finance shall certify to the commissioner the estimated increase in revenue to the trunk highway fund resulting from the increase in the gasoline and special fuel excise tax under section 296.02. The commissioner shall expend 15 percent of the increase in revenue to the trunk highway fund resulting from the increase in the gasoline and special fuel excise tax under section 296.02 and 15 percent of future increases in gasoline and special fuel excise tax revenues to the trunk highway fund for the purposes of subdivision 1. In the event that actual expenditures during any fiscal year are less or greater than 15 percent when compared to actual revenue the commissioner shall adjust his expenditures for the purpose of subdivision 1 for the following years in order to achieve compliance with this subdivision."

Page 9, line 10, delete "gross vehicle"

Page 9, line 12, after "pounds" insert "gross vehicle weight"

Page 9, delete lines 16 to 33, and insert:

"Subd. 1b. [SPECIAL PERMITS.] (a) The commissioner of transportation may issue a permit authorizing a hauler, during the times and under the conditions specified by the commissioner, to move a vehicle or combination of vehicles with a gross vehicle weight not exceeding 88,000 pounds on state trunk highways, if the vehicle or combination of vehicles has six or more axles and all wheels are equipped with brakes. The maximum wheel load on a non-steering axle shall not exceed the lesser of 500 pounds per inch of tire width or the manufacturer's recommended load for the tire used. The maximum gross weight on a group of consecutive axles shall not exceed the limits set in section 169.825, subdivision 10, for any combination of five or fewer axles. The seasonal increases allowed under section 169.825, subdivision 11, do not apply to vehicles operating under a permit issued under this subdivision. The commissioner shall not issue permits under this section if their issuance will result in a loss of federal highway funding to the state."

(b) Before a permit is issued under this subdivision, the applicant must present to the commissioner an inspection report issued by the department of public safety for each vehicle or combination of vehicles. The inspection report must certify that at the time of inspection each loaded vehicle properly distributed the weight as prescribed in section 169.825. The inspection report must also certify that at the time of inspection each vehicle complied with federal bureau of motor carrier safety standards. At the time of inspection

tion, each vehicle or combination of vehicles must be loaded to the requested permitted weight. The inspection report will expire 12 months after the date of inspection. The commissioner shall issue at no charge a 48-hour permit to authorize transportation to and from the point of inspection.

The applicant must pay to the commissioner a permit fee of \$200 and an inspection fee of \$50 for each vehicle or combination of vehicles that will be operated under the permit. The permit and inspection fees shall be deposited in the state treasury and credited to the trunk highway fund.

(c) The permit and a copy of the inspection report must be carried with each vehicle or combination of vehicles operating under a permit issued under this subdivision and must be displayed on request of any officer empowered to enforce this section. Each vehicle certified for compliance must display an identifying sticker as prescribed by the commissioner."

Page 10, after line 4, insert:

"Sec. 11. Minnesota Statutes 1984, section 169.86, subdivision 5, is amended to read:

Subd. 5. [FEES.] The commissioner, with respect to highways under his jurisdiction, may charge a fee for each permit issued. All such fees for permits issued by the commissioner of transportation shall be deposited in the state treasury and credited to the trunk highway fund. Except for those annual permits for which the permit fees are specified elsewhere in this chapter, the fees shall be:

(a) \$15 for each single trip permit.

(b) \$36 for each job permit. A job permit may be issued for like loads carried on a specific route for a period not to exceed two months. "Like loads" means loads of the same product, weight and dimension.

(c) \$60 for an annual permit to be issued for a period not to exceed 12 consecutive months. Annual permits may be issued for:

(1) refuse compactor vehicles that carry a gross weight up to but not in excess of 22,000 pounds on a single rear axle and not in excess of 38,000 pounds on a tandem rear axle;

(2) motor vehicles used to alleviate a temporary crisis adversely affecting the safety or well-being of the public;

(3) motor vehicles which travel on interstate highways and carry loads authorized under subdivision 1a;

(4) motor vehicles operating with gross weights authorized under section 169.825, subdivision 11, clause (3).

(d) \$120 for an oversize annual permit to be issued for a period not to exceed 12 consecutive months. Annual permits may be issued for:

(1) truck cranes;

(2) construction equipment, machinery, and supplies;

(3) manufactured homes;

(4) farm equipment when the movement is not made according to the pro-

visions of section 169.80, subdivision 1, paragraphs (a) to (f);

(5) double-deck buses;

(6) commercial boat hauling.

(e) for vehicles which have axle weights exceeding the weight limitations of section 169.825, an additional cost added to the fees listed above. The additional cost is equal to the product of the distance traveled times the sum of the overweight axle group cost factors shown in the following chart:

Overweight Axle Group Cost Factors

Weight (pounds) exceeding weight limi- tations on axles	Cost Per Mile For Each Group Of:		
	Two consec- utive axles spaced within 8 feet or less	Three consec- utive axles spaced within 9 feet or less	Four consec- utive axles spaced with- in 14 feet or less
0-2,000	.100	.040	.036
2,001-4,000	.124	.050	.044
4,001-6,000	.150	.062	.050
6,001-8,000	Not permitted	.078	.056
8,001-10,000	Not permitted	.094	.070
10,001-12,000	Not permitted	.116	.078
12,001-14,000	Not permitted	.140	.094
14,001-16,000	Not permitted	.168	.106
16,001-18,000	Not permitted	.200	.128
18,001-20,000	Not permitted	Not permitted	.140
20,001-22,000	Not permitted	Not permitted	.168

The amounts added are rounded to the nearest cent for each axle or axle group. The additional cost does not apply to paragraph (c), clauses (1) and (3).

(f) As an alternative to paragraph (e), an annual permit may be issued for overweight, or oversize and overweight, construction equipment, machinery, and supplies. The fees for the permit are as follows:

Gross Weight (pounds) of vehicle	Annual Permit Fee
90,000 or less	\$200.00
90,001 - 100,000	\$300.00
100,001 - 110,000	\$400.00
110,001 - 120,000	\$500.00
120,001 - 130,000	\$600.00
130,001 - 140,000	\$700.00

If the gross weight of the vehicle is more than 140,000 pounds the permit fee is determined under paragraph (e).

(g) for vehicles which exceed the width limitations set forth in section 169.80 by more than 72 inches, an additional cost equal to \$120 added to the amount in paragraph (a) when the permit is issued while seasonal load restrictions pursuant to section 169.87 are in effect.

Sec. 12. Minnesota Statutes 1984, section 169.862, is amended to read:

169.862 [PERMITS FOR WIDE LOADS OF BALED HAY.]

The commissioner of transportation with respect to highways under the commissioner's jurisdiction, and local authorities with respect to highways under their jurisdiction, may issue an annual permit to enable a vehicle carrying round ~~baled hay~~, *bales of agricultural products* with a total outside width of the vehicle or the load not exceeding 11-1/2 feet, to be operated on public streets and highways. Permits issued under this section are governed by the applicable provisions of section 169.86 except as otherwise provided herein and, in addition, carry the following restrictions:

(a) The vehicles may not be operated between sunset and sunrise, when visibility is impaired by weather, fog, or other conditions rendering persons and vehicles not clearly visible at a distance of 500 feet, or on ~~Saturdays, Sundays, and Sunday from noon until sunset, or on the days the following~~ *holidays are observed: New Year's day, Memorial day, Independence day, Labor day, Thanksgiving day, and Christmas day.*

(b) The vehicles may not be operated on interstate highways.

(c) The vehicles may not be operated on a trunk highway with a pavement less than 24 feet wide.

(d) A vehicle operated under the permit must be equipped with a retractable or removable mirror on the left side so located that it will reflect to the driver a clear view of the highway for a distance of at least 200 feet to the rear of the vehicle. ~~Simultaneous flashing amber lights, as provided in section 169.59, subdivision 4, must be displayed to the front and rear of the vehicle. The flashing amber lights must be lighted only when the width of the load exceeds 102 inches. The flashing amber light system is in addition to and separate from the turn signal system and the hazard warning light system.~~

(e) A vehicle operated under the permit must display red, orange, or yellow flags, ~~42 18~~ inches square, as markers at the front and rear and on both sides of the load. The load must be securely bound to the transporting vehicle.

The fee for the permit is \$24."

Pages 10 and 11, delete section 8 and insert:

"Sec. 13. Minnesota Statutes 1984, section 169.87, subdivision 1, is amended to read:

Subdivision 1. [OPTIONAL POWER SEASONAL LOAD RESTRICTION.] Local authorities, with respect to highways under their jurisdiction, may prohibit the operation of vehicles upon any such highway or impose restrictions as to the weight of vehicles to be operated upon any such highway, whenever any such highway, by reason of deterioration, rain, snow, or other climatic conditions, will be seriously damaged or destroyed unless the use of climatic conditions thereon is prohibited or the permissible weights thereof reduced.

The local authority enacting any such prohibition or restriction shall erect or cause to be erected and maintained signs plainly indicating the prohibition or restriction at each end of that portion of any highway affected thereby, and

the prohibition or restriction shall not be effective unless and until such signs are erected and maintained.

Municipalities, with respect to highways under their jurisdiction, may also, by ordinance, prohibit the operation of trucks or other commercial vehicles, or may impose limitations as to the weight thereof, on designated highways, which prohibitions and limitations shall be designated by appropriate signs placed on such highways.

The commissioner shall likewise have authority, as hereinabove granted to local authorities, to determine and to impose prohibitions or restrictions as to the weight of vehicles operated upon any highway under the jurisdiction of the commissioner, and, *except as provided in this subdivision*, such restrictions shall be effective when signs giving notice thereof are erected upon the highway or portion of any highway affected by such action.

~~When a local authority petitions the commissioner to establish a truck route for travel into, through, or out of the territory under its jurisdiction, the commissioner shall investigate the matter. If the commissioner determines from his investigation that the operation of trucks into, through, or out of the territory involves unusual hazards because of any or all of the following factors; load carried, type of truck used, or topographic or weather conditions, the commissioner may make his order designating certain highways under his jurisdiction as truck routes into, through, or out of such territory. When these highways have been marked as truck routes pursuant to the order, trucks traveling into, through, or out of the territory shall comply with the order. The commissioner shall propose the prohibitions and restrictions and publish them in the qualified legal newspaper of each affected county by November 1 of each year. The commissioner shall, within ten days of the publication, notify the county auditor of each affected county, by mail, of the proposed prohibitions and restrictions. The commissioner may impose restrictions that are not proposed by November 1 only in cases of unanticipated road damage so severe as to warrant immediate emergency action. Emergency road restrictions are not subject to the hearing requirement.~~

If a meeting is requested by the county board of one or more counties in which the proposed prohibition or restriction is effective, a proposed prohibition or restriction may not be posted and does not become effective unless the commissioner holds a public meeting. Notice of the meeting must be published in the qualified legal newspaper of the county. The commissioner or his designee shall hold a public meeting in the affected county and shall determine whether the adverse economic impact of the prohibition or restriction on the affected communities is so severe that the prohibition or restriction must be modified or suspended. If more than one county board requests a meeting on a single proposed prohibition or restriction the commissioner may hold one consolidated meeting on the proposal.

A county board may request a meeting only if it determines that the proposed prohibition or restriction would adversely affect one or more communities in the county by denying it all access to unrestricted routes."

Pages 12 and 13, delete section 10 and insert:

"Sec. 15. [SPECIAL CATEGORIES.]

For purposes of the Minnesota base rate schedule, but not for purposes of the special permit under section 9, for vehicles with six or more axles in the

"S" and "T" categories, the base rates are \$1,520 and \$1,620 respectively, subject to the annual increases authorized by section 168.013, subdivision 1e."

Page 13, after line 14, insert:

"Sec. 16. [APPROPRIATION.]

\$490,000 is appropriated from the trunk highway fund to the commissioner of public safety to conduct vehicle inspections, to be available for the biennium ending June 30, 1987. The approved complement of the department of public safety is increased by six positions."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to transportation; motor carriers; providing for annual increases in gross weight tax rates; establishing a gross vehicle weight limitation for state trunk highways; revising the gross weight seasonal zone; providing for ten percent overweight allowance for movement of potatoes and sugar beets; allowing wide loads of baled agricultural products to travel certain roads at certain times by annual permit; removing a requirement that wide loads be marked by flashing amber lights; requiring a district priority list; providing that a county may challenge a seasonal weight restriction imposed by the commissioner; appropriating money; amending Minnesota Statutes 1984, sections 168.013, subdivision 1e; 169.81, subdivision 2; 169.825, subdivisions 8, 10, and 11, and by adding a subdivision; 169.833; 169.86, subdivisions 1a, 2, 5, and by adding a subdivision; 169.862; and 169.87, subdivision 1, and by adding a subdivision."

And when so amended the bill do pass.

Mr. Moe, R.D. moved the adoption of the foregoing committee report. The motion prevailed. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. No. 304 was read the second time.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H.F. No. 1639: Mr. Langseth, Mrs. Lantry, Messrs. Purfeerst, Schmitz and Mehrkens.

S.F. No. 1525: Messrs. Samuelson, Knutson, Solon, Spear and Ms. Berglin.

H.F. No. 88: Messrs. Nelson; Pehler; Peterson, R.W.; Ms. Peterson, D.C. and Mr. Peterson, D.L.

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

MEMBERS EXCUSED

Mr. Pogemiller was excused from the Session of today from 1:00 to 4:15 p.m. and from 7:00 to 9:30 p.m. Ms. Reichgott was excused from the Session of today from 2:00 to 3:00 p.m. Mr. Knutson was excused from the Session of today from 3:15 to 6:30 p.m. Mr. Kroening was excused from the Session of today from 5:15 to 7:50 p.m. Mr. Hughes was excused from the Session of today from 7:30 to 10:15 p.m. Mr. Freeman was excused from the Session of today from 7:30 to 9:45 p.m. Mr. Dieterich was excused from the Session of today at 12:30 a.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 1:00 p.m., Thursday, May 9, 1985. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate