

SIXTY-FIFTH DAY

St. Paul, Minnesota, Monday, May 20, 1985

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

CALL OF THE SENATE

Mr. Peterson, R.W. 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. James Patrick Needham.

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. DeCramer moved that the following members be excused for a Conference Committee on S.F. No. 43 at 12:00 noon:

Messrs. Schmitz, Mehrkens, Langseth, DeCramer and Purfeerst. The motion prevailed.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

May 10, 1985

The Honorable David Jennings

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

I have the honor to inform you that the following enrolled Acts of the 1985 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1985	Date Filed 1985
335		100	May 10	May 10
450		101	May 10	May 10
1087		102	May 10	May 10
1208		103	May 10	May 10
1214		104	May 10	May 10
1291		105	May 10	May 10
1411		106	May 10	May 10
	273	107	May 10	May 10
	446	108	May 10	May 10
	516	109	May 10	May 10
	645	110	May 10	May 10
	782	111	May 10	May 10
	882	112	May 10	May 10
	1193	113	May 10	May 10
	1216	114	May 10	May 10
	1388	Res. No. 5	May 10	May 10

Sincerely,
 Joan Anderson Growe
 Secretary of State

May 14, 1985

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

I have the honor to inform you that the following enrolled Acts of the 1985 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1985	Date Filed 1985
1308		115	May 14	May 14
	399	116	May 14	May 14
	603	117	May 14	May 14
	649	118	May 14	May 14
	657	119	May 14	May 14
	1113	120	May 14	May 14
	1150	121	May 14	May 14

Sincerely,

Joan Anderson Growe
Secretary of State

May 15, 1985

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 563.

Sincerely,
Rudy Perpich, Governor

May 15, 1985

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

I have the honor to inform you that the following enrolled Acts of the 1985 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1985	Date Filed 1985
563		122	May 15	May 15
	683	123	May 15	May 15
	1152	124	May 15	May 15
	1382	125	May 15	May 15

Sincerely,
Joan Anderson Growe
Secretary of State

May 17, 1985

The Honorable Jerome M. Hughes
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 352, 1254, 661, 219, 1458, 1485 and 901.

Sincerely,
Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1398, and

repassed said bill in accordance with the report of the Committee, so adopted.

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.

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

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 268:

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

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

Swiggum; Olsen, S., and Neuenschwander have been appointed as such committee on the part of the House.

House File No. 268 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 20, 1985

Mr. Merriam moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 268, 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 Files, herewith transmitted: H.F. Nos. 587 and 765.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 17, 1985

FIRST READING OF HOUSE BILLS

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

H.F. No. 587: A bill for an act relating to agriculture; providing income tax incentives to landowners who sell or lease agricultural land to beginning farmers; appropriating money; amending Minnesota Statutes 1984, section 290.01, subdivisions 20a and 20b; Laws 1985, chapter 4, section 10; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 765: A bill for an act relating to human services; restricting and subsequently abolishing the state share of Title IV-E foster care maintenance payments; repealing transfer of funds; restricting and subsequently abolishing the dependent or neglected state ward appropriation; creating permanency planning grants to counties; amending Minnesota Statutes 1984, sections 256.82, subdivision 2; and 260.38; proposing coding for new law as Minnesota Statutes, chapter 256F; repealing Minnesota Statutes 1984, section 259.405.

Referred to the Committee on Finance.

MOTIONS AND RESOLUTIONS

Ms. Reichgott introduced—

Senate Resolution No. 92: A Senate resolution congratulating chess teams from Hosterman, Plymouth, and Sandburg Junior High Schools and Robbinsdale Cooper High School for their victories in the state chess tournament.

Referred to the Committee on Rules and Administration.

Mr. Purfeerst moved that S.F. No. 1249 be taken from the table. The motion prevailed.

S.F. No. 1249: A bill for an act relating to horse racing; making certain technical and clarifying amendments; providing for certain name changes; modifying certain license revocation and suspension procedures; modifying the amounts deducted by the licensee for purses; appropriating money; amending Minnesota Statutes 1984, sections 240.01, subdivision 10; 240.02, subdivision 5; 240.03; 240.04; 240.05, subdivision 2; 240.06, subdivision 2; 240.08, subdivisions 1 and 5; 240.09, subdivisions 2, 3, and 6; 240.13, subdivisions 5 and 6; 240.14, subdivision 1; 240.15, subdivisions 5 and 6; 240.16, subdivisions 1 and 6; 240.18; 240.22; 240.24; 240.25, subdivisions 1 and 4; 240.29; 541.20; and 541.21; repealing Minnesota Statutes 1984, section 624.02.

Mr. Purfeerst moved that the Senate do not concur in the amendments by the House to S.F. No. 1249, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. Spear moved that S.F. No. 276 be taken from the table. The motion prevailed.

S.F. No. 276: A bill for an act relating to notaries; providing procedures for various notarial acts; enacting the uniform law on notarial acts; providing that matters to be verified by oath or affirmation may be declared under penalty of perjury; imposing a penalty; amending Minnesota Statutes 1984, sections

358.15; and 609.48, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 358; repealing Minnesota Statutes 1984, sections 358.32 to 358.40.

CONCURRENCE AND REPASSAGE

Mr. Spear moved that the Senate concur in the amendments by the House to S.F. No. 276 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 276: A bill for an act relating to notaries; providing procedures for various notarial acts; enacting the uniform law on notarial acts; amending Minnesota Statutes 1984, sections 358.15; proposing coding for new law in Minnesota Statutes, chapter 358; repealing Minnesota Statutes 1984, sections 358.32 to 358.40.

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

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

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

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS - CONTINUED

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. 828: A bill for an act relating to economic security; clarifying the community action program financial assistance requirements; amending Minnesota Statutes 1984, sections 268.52, subdivisions 1 and 2; and 268.53, subdivision 2.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1070: A bill for an act relating to occupations and professions; requiring the commissioner of corrections to establish a program to prevent sexual exploitation by psychotherapists; extending the sexual exploitation task force; establishing a legislative study commission on the regulation of psychotherapists; appropriating money; amending Minnesota Statutes 1984, section 241.021, by adding a subdivision; and Laws 1984, chapter 631, section 1, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 241.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Kroening moved that the following members be excused for a Conference Committee on H.F. No. 1641 at 1:00 p.m.:

Messrs. Luther, Kroening, Willet, Dahl and Frederickson. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

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

excused for a Conference Committee on S.F. No. 952 at 1:00 p.m.:

Messrs. Waldorf, Wegscheid and Mrs. Brataas. The motion prevailed.

SPECIAL ORDER

H.F. No. 1227: A bill for an act relating to crimes; providing that a psychotherapist who engages in sexual contact or penetration with a patient under certain circumstances is guilty of criminal sexual conduct; limiting admissibility of a patient's personal or medical history; amending Minnesota Statutes 1984, sections 609.341, by adding subdivisions; 609.344; 609.345; and 609.347, by adding a subdivision:

Mr. Petty moved to amend H.F. No. 1227, as amended pursuant to Rule 49, adopted by the Senate May 16, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 1003.)

Page 1, after line 11, insert:

"Section 1. Minnesota Statutes 1984, section 593.01, subdivision 2, is amended to read:

Subd. 2. The provisions of subdivision 1, as to the number of jurors does not apply to a criminal action where the offense charged is a ~~gross misdemeanor~~ or a felony. In that event the petit jury is a body of 12 persons, unless the defendant consents to a jury of six."

Page 5, after line 11, insert:

"Sec. 10. Minnesota Statutes 1984, section 611.033, is amended to read:

611.033 [COPY OF CONFESSION OR ADMISSION.]

A statement, confession, or admission in writing shall not be received in evidence in any criminal proceeding against any defendant unless within a reasonable time of the taking thereof the defendant is furnished with a copy thereof and which statement, confession, or admission shall have endorsed thereon or attached thereto the receipt of the accused or certification of a peace officer which shall state that a copy thereof has been received by or made available to the accused. *Nothing in this section shall require that a videotape, audiotape, or transcript thereof, be given to the defendant at the time the statement, confession, or admission is made, or within a reasonable time thereafter, provided the videotape or audiotape is available to the defendant in discovery pursuant to the rules of criminal procedure.*"

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "authorizing six person juries for misdemeanor prosecutions; clarifying receipt of a copy of a confession or admission;"

Page 1, line 7, after "sections" insert "593.01, subdivision 2;"

Page 1, line 8, delete "and"

Page 1, line 9, before the period, insert "and 611.033"

The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

Ms. Peterson, D.C. imposed a call of the Senate for the balance of the proceedings on H.F. No. 1227. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Sieloff moved to amend H.F. No. 1227, as amended pursuant to Rule 49, adopted by the Senate May 16, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 1003.)

Page 1, line 20, after "*worker*" insert "*or*"

Page 1, line 20, delete "*, or other person, whether or not*"

Page 1, line 24, after "*the*" insert "*professional*"

Mr. Moe, D.M. requested division of the amendment as follows:

First portion:

Page 1, line 20, after "*worker*" insert "*or*"

Page 1, line 20, delete "*, or other person, whether or not*"

Second portion:

Page 1, line 24, after "*the*" insert "*professional*"

The question was taken on the adoption of the first portion of the amendment.

The roll was called, and there were yeas 11 and nays 47, as follows:

Those who voted in the affirmative were:

Benson	Kamrath	Knutson	Renneke	Stumpf
Frederick	Knaak	Laidig	Sieloff	Taylor
Isackson				

Those who voted in the negative were:

Adkins	Diessner	Langseth	Olson	Schmitz
Anderson	Dieterich	Lantry	Pehler	Spear
Belanger	Frank	Lessard	Peterson, D.C.	Storm
Berglin	Frederickson	Luther	Peterson, D.L.	Vega
Bernhagen	Freeman	McQuaid	Peterson, R.W.	Waldorf
Bertram	Hughes	Merriam	Petty	Wegscheid
Brataas	Johnson, D.E.	Moe, D.M.	Pogemiller	Willet
Dahl	Jude	Moe, R.D.	Ramstad	
Davis	Kroening	Nelson	Reichgott	
Dicklich	Kronebusch	Novak	Samuelson	

The motion did not prevail. So the first portion of the amendment was not adopted.

The question was taken on the adoption of the second portion of the amendment.

The motion prevailed. So the second portion of the amendment was adopted.

H.F. No. 1227 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

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 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. 401: A bill for an act relating to creditor's remedies; providing for an increase in the amount of farm machines and implements exemption; clarifying the garnishment limitation for the sale of farm products; authorizing the court to allow the respondent in a replevin action to retain or regain possession without posting a bond; authorizing the court to stay an action to recover possession for up to six months; extending the effective period of a garnishee summons; amending Minnesota Statutes 1984, sections 550.37, subdivisions 5, 7, 13, 14, and 24; 565.25, subdivision 2; 571.41, subdivisions 6 and 7; 571.42; 571.495, subdivision 3; and 571.55, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 565.

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

Dempsey, McDonald and Cohen.

Senate File No. 401 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

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. 615: A bill for an act relating to Lake of the Woods county;

authorizing the issuance of bonds for the construction of jetties and related public improvements; and authorizing the levy of special assessments.

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

Tunheim, McPherson and Clausnitzer.

Senate File No. 615 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

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. 650: A bill for an act relating to crimes; increasing the penalty for an offense committed against a transit provider or operator when violence or a threat of violence is not involved; amending Minnesota Statutes 1984, section 609.855, subdivisions 3 and 4.

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

Valento, Schafer and Marsh.

Senate File No. 650 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

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. 863: A bill for an act relating to commerce; modifying the definition of credit card to include other types of instruments; prescribing criminal penalties for financial transaction card fraud; amending Minnesota Statutes 1984, sections 325G.02, subdivisions 2 and 4; 325G.03; 325G.04; 325G.041; 325G.05; 609.52, subdivisions 1 and 2; and 609.625, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Seaberg, Marsh and Jacobs.

Senate File No. 863 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 856:

H.F. No. 856: A bill for an act relating to taxation; imposing an additional tax on certain interest earned on state or municipal obligations; providing an income tax credit for certain interest paid on those obligations; amending Minnesota Statutes 1984, section 290.06, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 290.

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

Pauly, Valento, Quinn, Boerboom and Vanasek have been appointed as such committee on the part of the House.

House File No. 856 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 20, 1985

Mr. Dahl moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 856, 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. 702:

H.F. No. 702: A bill for an act relating to human services; requiring notice to the designated agency in certain proceedings pertaining to persons committed as mentally ill and dangerous; authorizing the commissioner to transfer persons committed as mentally ill and dangerous between regional centers under certain circumstances; amending Minnesota Statutes 1984, sections 253B.14; 253B.18, subdivisions 4b, 5, and 6; and 253B.23, subdivision 7.

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

Clausnitzer; Anderson, R.; Forsythe; Zaffke and Jennings, L. have been appointed as such committee on the part of the House.

House File No. 702 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 20, 1985

Mr. Diessner moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 702, 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.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Peterson, R.W. moved that the following members be excused for a Conference Committee on S.F. No. 401 from 1:30 to 2:40 p.m.:

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Dieterich moved that the following members be excused for a Conference Committee on S.F. No. 1183 at 2:45 p.m.:

Messrs. Dieterich, Gustafson and Novak. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Chmielewski moved that the following members be excused for a Conference Committee on H.F. No. 847 at 3:00 p.m.:

Messrs. Langseth, Frank and Chmielewski. The motion prevailed.

SPECIAL ORDER

H.F. No. 1233: A bill for an act relating to intoxicating liquor; permitting counties to issue off-sale licenses and combination licenses in towns; amending Minnesota Statutes 1984, section 340.11, subdivision 10a; repealing Minnesota Statutes 1984, section 340.11, subdivision 10b.

Mr. Dieterich moved to amend H.F. No. 1233, as amended pursuant to Rule 49, adopted by the Senate May 16, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 1103.)

Page 2, line 19, before "with" insert "*except cities of the first class or within Pine or Kanabec counties within three miles of a statutory or home rule city*"

The motion prevailed. So the amendment was adopted.

Mr. Knaak moved to amend H.F. No. 1233, as amended pursuant to Rule 49, adopted by the Senate May 16, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 1103.)

Page 1, lines 18 and 24, after the second "county" insert "*outside the seven-county metropolitan area as defined under section 473.121, subdivision 2*"

Page 2, delete section 2, and insert:

"Sec. 2. Minnesota Statutes 1984, section 340.11, subdivision 10b, is amended to read:

Subd. 10b. [OFF-SALE LICENSES; TOWNS.] The town board of any town exercising powers pursuant to section 368.01, subdivision 1, *within the seven-county metropolitan area as defined under section 473.121, subdivision 2*, may issue off-sale licenses for the sale of intoxicating liquor to exclusive liquor stores with the approval of the commissioner of public safety. Licenses issued under this subdivision shall be governed by the appropriate provisions of the intoxicating liquor act except as provided otherwise by this subdivision. The fee for a license shall be fixed by the board in an amount not to exceed \$500."

Amend the title as follows:

Page 1, line 2, after "counties" insert "and certain towns"

Page 1, line 5, delete "subdivision" and insert "subdivisions" and delete the semicolon and insert "and 10b." and delete "repealing Minnesota Statutes"

Page 1, delete line 6

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

Mr. Knaak then moved to amend H.F. No. 1233, as amended pursuant to Rule 49, adopted by the Senate May 16, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 1103.)

Page 1, lines 18 and 24, after the second "county" insert "except Ramsey county"

Page 2, delete section 2, and insert:

"Sec. 2. Minnesota Statutes 1984, section 340.11, subdivision 10b, is amended to read:

Subd. 10b. [OFF-SALE LICENSES; TOWNS.] The town board of any town exercising powers pursuant to section 368.01, subdivision 1, *within Ramsey county*, may issue off-sale licenses for the sale of intoxicating liquor to exclusive liquor stores with the approval of the commissioner of public safety. Licenses issued under this subdivision shall be governed by the appropriate provisions of the intoxicating liquor act except as provided otherwise by this subdivision. The fee for a license shall be fixed by the board in an amount not to exceed \$500."

Amend the title as follows:

Page 1, line 2, after "counties" insert "and certain towns"

Page 1, line 5, delete "subdivision" and insert "subdivisions" and delete the semicolon and insert "and 10b." and delete "repealing Minnesota Statutes"

Page 1, delete line 6

The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

Mr. Dieterich imposed a call of the Senate for the balance of the proceedings on H.F. No. 1233. The Sergeant at Arms was instructed to bring in the absent members.

H.F. No. 1233 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 43 and nays 18, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Langseth	Olson	Reichgott
Belanger	Frederickson	Lantry	Pehler	Sieloff
Berglin	Gustafson	Lessard	Peterson, D.C.	Spear
Bertram	Hughes	Luther	Peterson, D.L.	Stumpf
Chmielewski	Johnson, D.E.	McQuaid	Peterson, R.W.	Taylor
Dahl	Johnson, D.J.	Mehrkens	Petty	Vega
DeCramer	Jude	Moe, D.M.	Pogemiller	Willet
Dicklich	Knaak	Moe, R.D.	Purfeerst	
Diessner	Kronebusch	Nelson	Ramstad	

Those who voted in the negative were:

Anderson	Davis	Kroening	Peterson, C.C.	Waldorf
Benson	Frank	Laidig	Renneke	Wegscheid
Berg	Frederick	Merriam	Samuelson	
Bernhagen	Kamrath	Novak	Schmitz	

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

SPECIAL ORDER

H.F. No. 35: A bill for an act relating to agriculture; making certain changes in the family farm security program; amending Minnesota Statutes 1984, sections 16A.80, subdivision 2a; 41.56, subdivisions 3, 4, and 4a; 41.57, subdivisions 2 and 3; 41.59, subdivision 1; and 41.61, subdivision 1.

Mr. Wegscheid moved to amend H.F. No. 35 as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1984, section 16A.80, subdivision 2a, is amended to read:

Subd. 2a. [EXEMPT AGENCIES.] This section does not apply to:

- (1) the housing finance agency;
- (2) the state board of investment;
- (3) the iron range resources and rehabilitation board;
- (4) the higher education coordinating board;
- (5) the higher education facilities authority; and
- (6) the department of agriculture family farm security program; and
- (7) the energy and economic development authority.

Sec. 2. Minnesota Statutes 1984, section 41.56, subdivision 3, is amended to read:

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

If a participant cannot meet scheduled loan payments because of unique or temporary circumstances and the participant proves sufficiently to the commissioner that the necessary cash flow can be generated in the future, the commissioner may use money in the special account in section 41.61, subdivision 1, to meet the participant's loan obligation for up to two consecutive

years. This money must be paid back within eight years with interest at a rate four percent below the prevailing Federal Land Bank rate.

A contract for deed participant may enter into an agreement with the commissioner whereby the outstanding principal balance of the loan is reduced by a minimum of ten percent, the loan is re-amortized for the years remaining, and the commissioner agrees that the state shall pay the lender 100 percent of the sum due and payable if a default occurs during the remaining term of the re-amortized loan.

After 180 days from the initial default, if the ~~applicant~~ participant has not made arrangements to meet his obligation, the lender shall file a claim with the commissioner, identifying the loan and the nature of the default, and assigning to the state all of the lender's security and interest in the loan in exchange for payment according to the terms of the family farm security loan guarantee. In the case of a seller-sponsored loan, the seller may elect to pay the commissioner all sums owed the commissioner by the ~~applicant~~ participant and retain title to the property in lieu of payment by the commissioner under the terms of the loan guarantee. If the commissioner determines that the terms of the family farm security loan guarantee have been met, he shall authorize payment of state funds to the lender, and shall notify the defaulting party. The state of Minnesota shall then succeed to the interest of the mortgagee or the vendor of the contract for deed. Taxes shall be levied and paid on the land as though the owner were a natural person and not a political subdivision of the state. The commissioner may, on behalf of the state, commence foreclosure or termination proceedings in the manner provided by law.

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

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

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

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

Subd. 4a. [SALE FOR CASH.] When the commissioner sells any farm property for cash, he shall follow the procedures provided in this subdivision. ~~If the sale will be completed more than 15 days after the last published notice of sale as provided in subdivision 4, the commissioner shall publish another notice as provided in that subdivision.~~ The commissioner ~~shall~~ *may* sell the property to the highest bidder by taking sealed bids ~~or~~, by bids at public auction, ~~or through negotiation.~~ The commissioner may refuse to accept any or all bids. ~~If a bid is accepted, the successful bidder shall be selected within 15 days of the date of the last published notice of sale.~~ The successful bidder shall submit bid security in the form of a certified check ~~or bid bond, money order, or bank draft~~ in the amount of ~~two~~ *five* percent of the bid price on the day of selection and shall remit the balance of the purchase price within 90 days of the date of sale. Upon remittance by the purchaser of the balance within 90 days of the date of sale, the commissioner shall transfer title to the property, including any acquired mineral rights, to the purchaser by quit-claim deed. In the event that the purchaser fails to remit all of the balance within 90 days of the date of sale, the purchaser forfeits all rights to the property and any money paid for the property and the commissioner shall recommence the sale process specified in this subdivision.

Sec. 5. Minnesota Statutes 1984, section 41.57, subdivision 2, is amended to read:

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

Sec. 6. Minnesota Statutes 1984, section 41.57, subdivision 3, is amended to read:

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

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

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

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

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

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

The amount needed from time to time to pay lenders for defaulted loans and make other payments authorized by this chapter including insurance premiums ~~and~~, taxes, repairs and maintenance costs, advertising, and other sales expenses on defaulted farms is appropriated from the special account to the commissioner. Money is also appropriated to the commissioner from the special account so that the commissioner may purchase the rights of first lienholders at mortgage foreclosure sales ~~and satisfy certain fixture loans~~. The sum of all outstanding family farm security loans guaranteed by the commissioner at any time may not exceed \$100,000,000.

Sec. 9. [92.501] [LEASING OF PEAT LANDS FOR WILD RICE FARMING.]

Subdivision 1. [AUTHORITY TO LEASE.] *The commissioner of natural resources may, at a public or private lease sale and at the prices and under the terms and conditions the commissioner may prescribe, lease any state-owned lands under the commissioner's jurisdiction and control for the purpose of farming of wild rice. The term of a lease under this section shall be offered for a minimum of 20 years but may be for a shorter period at the option of the lessee. The lease rate shall be adjusted every five years to reflect market values. The money received from the leases under this section*

shall be credited to the account that receives the proceeds of a sale of the land.

Subd. 2. [WILD RICE LAND DESIGNATION AND DEVELOPMENT.] The commissioner of natural resources shall prepare a plan including an inventory of the number of acres of land appropriate and suitable for wild rice development and leasing in each county.

Subd. 3. [RULES.] The commissioner of natural resources may adopt rules to implement this section.

Sec. 10. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to agriculture; making certain changes in the family farm security program; amending Minnesota Statutes 1984, sections 16A.80, subdivision 2a; 41.56, subdivisions 3, 4, and 4a; 41.57, subdivisions 2 and 3; 41.59, subdivision 1; and 41.61, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 92."

Mr. Merriam moved to amend the Wegscheid amendment to H.F. No. 35 as follows:

Page 1, delete section 1

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the Wegscheid amendment, as amended.

The motion prevailed. So the amendment, as amended, was adopted.

Mr. Wegscheid moved to amend the Wegscheid amendment to H.F. No. 35 adopted by the Senate May 20, 1985, as follows:

Page 7, after line 2, insert:

"Sec. 10. Minnesota Statutes 1984, section 223A.01, as added by S.F. No. 919, section 6, if enacted by the 1985 regular session, is amended to read:

223A.01 [FARM PRODUCTS THAT ARE BOUGHT SUBJECT TO A SECURITY INTEREST.]

Subdivision 1. [REGISTERED BUYER TAKES FREE OF SECURITY INTEREST UNLESS NOTIFIED.] A buyer in the ordinary course of business who is a registered buyer in the county of the seller's residence under section 386.42, and who purchases farm products from a person engaged in farming operations takes free of a security interest created by the seller even though the security interest is perfected and the buyer knows of its existence, unless the buyer is notified of the security interest as provided in subdivision 4 3.

Subd. 2. [BUYERS THAT PURCHASE SUBJECT TO A SECURITY INTEREST.] A buyer in the ordinary course of business that is registered under section 386.42 in the seller's county of residence who is notified by a secured party as provided under subdivision 3, purchases farm products from

a person engaged in farming operations subject to the perfected security interest. A buyer who is not registered under section 386.42 in the seller's county of residence purchases farm products from a person engaged in farming operations subject to perfected security interests.

A buyer who purchases farm products subject to a security interest under this section *subdivision* shall include the name of the secured party as joint payee on any check or other instrument issued in payment for the farm products, unless the secured party gives the buyer written notice of waiver of this requirement. Issuance of joint payment as herein required relieves the buyer of any further liability to the secured party.

Subd. 3. [NOTIFICATION OF SECURITY INTEREST.] A secured party may, by certified mail or another method by which receipt can be verified, notify a buyer that a debtor has farm products subject to a security interest.

The notification is effective upon receipt until September 1 after the notification is made; or for a notification made after August 20 but before September 1, the notification is effective for one year beginning September 1. A buyer who receives notification from a secured party under this subdivision shall not publicly post or disseminate to any person, other than its agents and employees who reasonably require the information for purposes related to this *aet section*, any information contained in the notification.

A secured party that furnishes to a buyer a list of debtors who have farm products subject to a security interest is not liable to a debtor whose name is on the list for furnishing the list.

Subd. 4. [COMMISSION MERCHANT.] *Notwithstanding section 336.1-201, subsection (9), a commission merchant or selling agent who sells farm products for another for a fee, that is a registered buyer under section 386.42, is a buyer in the ordinary course of business under this chapter and section 336.9-307, subsection (1), for transactions involving farm products.*

Sec. 11. Minnesota Statutes 1984, section 336.9-307, as amended by S.F. No. 919, section 7, if enacted by the 1985 regular session, is amended to read:

336.9-307 [PROTECTION OF BUYERS OF GOODS.]

(1) A buyer in ordinary course of business (subsection (9) of section 336.1-201) takes free of a security interest created by his seller even though the security interest is perfected and even though the buyer knows of its existence, except that a buyer in the ordinary course of business who purchases farm products from a person engaged in farming operations is subject to section ~~386.42~~ 223A.01.

(2) In the case of consumer goods, a buyer takes free of a security interest even though perfected if he buys without knowledge of the security interest, for value and for his own personal, family or household purposes unless prior to the purchase the secured party has filed a financing statement covering such goods.

(3) A buyer other than a buyer in ordinary course of business (subsection (1) of this section) takes free of a security interest to the extent that it secures future advances made after the secured party acquires knowledge of the purchase, or more than 45 days after the purchase, whichever first occurs, unless made pursuant to a commitment entered into without knowledge of the

purchase and before the expiration of the 45 day period."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Berg moved to amend the Wegscheid amendment to H.F. No. 35 as follows:

Page 1, line 31, delete "a" and insert "an annual percentage"

The motion prevailed. So the amendment to the amendment was adopted.

H.F. No. 35 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 44 and nays 11, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kronebusch	Olson	Schmitz
Anderson	Frederick	Laidig	Pehler	Sieloff
Belanger	Frederickson	Lessard	Peterson, C.C.	Spear
Benson	Hughes	Luther	Peterson, D.L.	Storm
Berg	Isackson	McQuaid	Peterson, R.W.	Stumpf
Bernhagen	Johnson, D.E.	Mehrrens	Petty	Taylor
Bertram	Jude	Merriam	Ramstad	Wegscheid
Brataas	Kamrath	Moe, D.M.	Renneke	Willet
Davis	Knutson	Moe, R.D.	Samuelson	

Those who voted in the negative were:

Berglin	Freeman	Kroening	Peterson, D.C.	Vega
Dahl	Knaak	Lantry	Pogemiller	Waldorf
Frank				

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

SPECIAL ORDER

H.F. No. 265: A bill for an act relating to insurance; dramshop liability; authorizing annual aggregate policy limits; amending Minnesota Statutes 1984, section 340.11, subdivision 21.

Mr. Stumpf moved to amend H.F. No. 265, the unofficial engrossment, as follows:

Page 11, line 28, strike " , or incurs"

Page 11, line 29, strike "other pecuniary loss"

Page 12, after line 15, insert:

"Subd. 3. [PRESUMED DAMAGES IN CASE OF DEATH.] In the case of an individual who is deceased and where a person is found liable under this section for a person's death, the individual or those claiming damages on the person's behalf, shall be conclusively presumed collectively to be damaged in the amount of \$20,000; provided, however, that nothing herein shall prevent a claimant from recovering a greater amount of damages to the

extent allowable and proven under this section."

CALL OF THE SENATE

Mr. Stumpf imposed a call of the Senate for the balance of the proceedings on H.F. No. 265. 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 32 and nays 24, as follows:

Those who voted in the affirmative were:

Adkins	Chmielewski	Jude	Lessard	Storm
Anderson	Davis	Kamrath	Mehrrens	Stumpf
Belanger	DeCramer	Knaak	Peterson, D.L.	Taylor
Benson	Frederick	Knutson	Renneke	Willet
Berg	Frederickson	Kronebusch	Samuelson	
Bernhagen	Isackson	Laidig	Sieloff	
Bertram	Johnson, D.E.	Langseth	Solon	

Those who voted in the negative were:

Berglin	Lantry	Moe, R.D.	Peterson, R.W.	Reichgott
Dahl	Luther	Nelson	Petty	Schmitz
Freeman	McQuaid	Novak	Pogemiller	Spear
Hughes	Merriam	Olson	Purfeerst	Waldorf
Kroening	Moe, D.M.	Peterson, D.C.	Ramstad	

The motion prevailed. So the amendment was adopted.

Mr. Stumpf then moved to amend the Stumpf amendment to H.F. No. 265, the unofficial engrossment, as follows:

Page 1, line 10 of the Stumpf amendment, before "*amount*" delete "*the*" and insert "*a minimum*"

Page 1, line 11 of the Stumpf amendment, delete "\$20,000" and insert "\$30,000"

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

The roll was called, and there were yeas 49 and nays 7, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Lantry	Peterson, D.C.	Solon
Belanger	Frederick	Lessard	Peterson, R.W.	Spear
Berg	Freeman	Luther	Petty	Storm
Bernhagen	Hughes	McQuaid	Pogemiller	Stumpf
Bertram	Isackson	Merriam	Purfeerst	Taylor
Dahl	Johnson, D.E.	Moe, R.D.	Ramstad	Vega
Davis	Jude	Nelson	Reichgott	Waldorf
DeCramer	Kamrath	Novak	Renneke	Wegscheid
Dicklich	Knaak	Olson	Schmitz	Willet
Diessner	Kroening	Pehler	Sieloff	

Those who voted in the negative were:

Anderson	Frederickson	Laidig	Mehrrens	Peterson, D.L.
Benson	Kronebusch			

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Dahl moved to amend H.F. No. 265, the unofficial engrossment, as follows:

Page 1, after line 12, insert:

“Section 1. [62A.26] [COVERAGE FOR PHENYLKETONURIA TREATMENT.]

Subdivision 1. [SCOPE OF COVERAGE.] This section applies to all policies of accident and health insurance, health maintenance contracts regulated under chapter 62D, health benefit certificates offered through a fraternal beneficiary association regulated under chapter 64A, and group subscriber contracts offered by nonprofit health service plan corporations regulated under chapter 62C but does not apply to policies designed primarily to provide coverage payable on a per diem, fixed indemnity or non-expense incurred basis, or policies that provide only accident coverage.

Subd. 2. [REQUIRED COVERAGE.] Every policy, plan, certificate, or contract referred to in subdivision 1 issued or renewed after August 1, 1985, must provide coverage for special dietary treatment for phenylketonuria when recommended by a physician.

Sec. 2. Minnesota Statutes 1984, section 62E.06, subdivision 1, is amended to read:

Subdivision 1. [NUMBER THREE PLAN.] A plan of health coverage shall be certified as a number three qualified plan if it otherwise meets the requirements established by chapters 62A and 62C, and the other laws of this state, whether or not the policy is issued in Minnesota, and meets or exceeds the following minimum standards:

(a) The minimum benefits for a covered individual shall, subject to the other provisions of this subdivision, be equal to at least 80 percent of the cost of covered services in excess of an annual deductible which does not exceed \$150 per person. The coverage shall include a limitation of \$3,000 per person on total annual out-of-pocket expenses for services covered under this subdivision. The coverage shall be subject to a maximum lifetime benefit of not less than \$250,000.

The \$3,000 limitation on total annual out-of-pocket expenses and the \$250,000 maximum lifetime benefit shall not be subject to change or substitution by use of an actuarially equivalent benefit.

(b) Covered expenses shall be the usual and customary charges for the following services and articles when prescribed by a physician:

(1) Hospital services;

(2) Professional services for the diagnosis or treatment of injuries, illnesses, or conditions, other than outpatient mental or dental, which are rendered by a physician or at his direction;

(3) Drugs requiring a physician's prescription;

(4) Services of a nursing home for not more than 120 days in a year if the services would qualify as reimbursable services under medicare;

(5) Services of a home health agency if the services would qualify as reimbursable services under medicare;

- (6) Use of radium or other radioactive materials;
- (7) Oxygen;
- (8) Anesthetics;
- (9) Prostheses other than dental;
- (10) Rental or purchase, as appropriate, of durable medical equipment other than eyeglasses and hearing aids;
- (11) Diagnostic X-rays and laboratory tests;
- (12) Oral surgery for partially or completely unerupted impacted teeth, a tooth root without the extraction of the entire tooth, or the gums and tissues of the mouth when not performed in connection with the extraction or repair of teeth;
- (13) Services of a physical therapist; and
- (14) Transportation provided by licensed ambulance service to the nearest facility qualified to treat the condition; or a reasonable mileage rate for transportation to a kidney dialysis center for treatment.

(c) Covered expenses for the services and articles specified in this subdivision do not include the following:

- (1) Any charge for care for injury or disease either (i) arising out of an injury in the course of employment and subject to a workers' compensation or similar law, (ii) for which benefits are payable without regard to fault under coverage statutorily required to be contained in any motor vehicle, or other liability insurance policy or equivalent self-insurance, or (iii) for which benefits are payable under another policy of accident and health insurance, medicare or any other governmental program except as otherwise provided by law;
- (2) Any charge for treatment for cosmetic purposes other than for reconstructive surgery when such service is incidental to or follows surgery resulting from injury, sickness or other diseases of the involved part or when such service is performed on a covered dependent child because of congenital disease or anomaly which has resulted in a functional defect as determined by the attending physician;
- (3) Care which is primarily for custodial or domiciliary purposes which would not qualify as eligible services under medicare;
- (4) Any charge for confinement in a private room to the extent it is in excess of the institution's charge for its most common semi-private room, unless a private room is prescribed as medically necessary by a physician, provided, however, that if the institution does not have semi-private rooms, its most common semi-private room charge shall be considered to be 90 percent of its lowest private room charge;
- (5) That part of any charge for services or articles rendered or prescribed by a physician, dentist, or other health care personnel which exceeds the prevailing charge in the locality where the service is provided; and
- (6) Any charge for services or articles the provision of which is not within the scope of authorized practice of the institution or individual rendering the

services or articles.

(d) The minimum benefits for a qualified plan shall include, in addition to those benefits specified in clauses (a) and (e), benefits for well baby care, effective July 1, 1980, subject to applicable deductibles, coinsurance provisions, and maximum lifetime benefit limitations.

(e) Effective July 1, 1979, the minimum benefits of a qualified plan shall include, in addition to those benefits specified in clause (a), a second opinion from a physician on all surgical procedures expected to cost a total of \$500 or more in physician, laboratory and hospital fees, provided that the coverage need not include the repetition of any diagnostic tests.

(f) *Effective August 1, 1985, the minimum benefits of a qualified plan must include, in addition to the benefits specified in clauses (a), (d), and (e), coverage for special dietary treatment for phenylketonuria when recommended by a physician."*

Page 4, after line 21, insert:

"Sec. 9. [144.126] [PHENYLKETONURIA TESTING PROGRAM.]

The commissioner shall provide on a statewide basis, without charge to the recipient, treatment control tests for which approved laboratory procedures are available for phenylketonuria and other metabolic diseases causing mental retardation.

Sec. 10. [144.128] [TREATMENT FOR POSITIVE DIAGNOSIS, REGISTRY OF CASES.]

The commissioner shall:

(1) make arrangements for the necessary treatment for diagnosed cases where treatment is indicated and the family is uninsured and, because of a lack of available income, is unable to pay the cost of the treatment;

(2) maintain a registry of cases of phenylketonuria and other metabolic diseases for the purpose of follow-up services to prevent mental retardation; and

(3) adopt rules to carry out section 3 and this section.

Sec. 11. Minnesota Statutes 1984, section 290.089, subdivision 2, is amended to read:

Subd. 2. [ITEMIZED DEDUCTIONS.] An amount equal to the amount determined pursuant to section 63(f) of the Internal Revenue Code is allowed with the following adjustments:

(a) Add the amount paid to others not to exceed \$650 for each dependent in grades K to 6 and \$1,000 for each dependent in grades 7 to 12, for tuition, textbooks, and transportation of each dependent in attending an elementary or secondary school situated in Minnesota, North Dakota, South Dakota, Iowa, or Wisconsin, wherein a resident of this state may legally fulfill the state's compulsory attendance laws, which is not operated for profit, and which adheres to the provisions of the Civil Rights Act of 1964 and chapter 363. As used in this clause, "textbooks" includes books and other instructional materials and equipment used in elementary and secondary schools in teaching only those subjects legally and commonly taught in public elemen-

tary and secondary schools in this state. "Textbooks" does not include instructional books and materials used in the teaching of religious tenets, doctrines, or worship, the purpose of which is to instill such tenets, doctrines, or worship, nor does it include books or materials for, or transportation to, extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or similar programs;

(b) Add the amount of Minnesota and other states' estate or inheritance taxes which were allowed as a deduction under section 290.077, subdivision 4, on income in respect of a decedent;

(c) Add the amount by which the deduction for the taxable year allowed pursuant to subdivision 4 exceeds the amount determined pursuant to section 222 of the Internal Revenue Code;

(d) *Add the amount paid during the taxable year for the special dietary treatment recommended by a physician for phenylketonuria which is not reflected in other deductions;*

(e) Subtract income taxes paid or accrued within the taxable year under this chapter;

(e) (f) Subtract income taxes paid to any other state or to any province or territory of Canada;

(f) (g) If the deduction computed under section 164 of the Internal Revenue Code is not reduced by the amount of the credit or refund allowed under chapter 290A, subtract that amount;

(g) (h) Subtract the amount of interest on investment indebtedness paid or accrued in a taxable year beginning before January 1, 1981, which has been carried forward and is allowed as a deduction in the taxable year under section 163(d) of the Internal Revenue Code;

(h) (i) Subtract the amount of charitable contributions deducted under section 170 of the Internal Revenue Code that (i) exceeds the following limitations: (A) an overall limit of 30 percent of the taxpayer's Minnesota gross income which, for purposes of this paragraph, shall include the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code; and (B) the aggregate of contributions to organizations described in section 290.21, subdivision 3, clause (c) shall not exceed 20 percent of the taxpayer's Minnesota gross income; or (ii) was deducted as a carryover under section 170(d) of the Internal Revenue Code."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Mr. Benson questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Mr. Petty moved to amend H.F. No. 265, the unofficial engrossment, as follows:

Page 2, line 2, before the period, insert "*and hit-and-run motor vehicles*"

Page 3, line 5, before "*limit*" insert "*liability*"

Page 3, line 11, delete everything after "(5)"

Page 3, line 17, delete "*a named*" and insert "*an*"

Page 3, line 19, delete "*a named*" and insert "*otherwise*"

Page 3, lines 24 and 30, delete "*named*"

Page 4, delete lines 6 to 12

The motion prevailed. So the amendment was adopted.

H.F. No. 265 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 43 and nays 9, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Jude	Novak	Schmitz
Anderson	DeCramer	Kamrath	Olson	Sieloff
Belanger	Dicklich	Knaak	Pehler	Solon
Benson	Frederick	Kronebusch	Peterson, D.L.	Stumpf
Berg	Frederickson	Laidig	Petty	Taylor
Bernhagen	Freeman	Lessard	Purfeerst	Waldorf
Bertram	Hughes	McQuaid	Ramstad	Willet
Brataas	Isackson	Moe, R.D.	Reichgott	
Dahl	Johnson, D.E.	Nelson	Renneke	

Those who voted in the negative were:

Kroening	Merriam	Peterson, D.C.	Pogemiller	Vega
Luther	Moe, D.M.	Peterson, R.W.	Spear	

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

RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

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

S.F. No. 230: Messrs. Wegscheid, Petty and Kroening.

H.F. No. 268: Messrs. Merriam; Peterson, C.C. and Knaak.

S.F. No. 1159: Messrs. Luther, Freeman, Pogemiller, Petty and Knaak.

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

APPOINTMENTS

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

S.F. No. 1249: Messrs. Purfeerst, Dieterich and Sieloff.

H.F. No. 856: Messrs. Dahl, Nelson, Merriam, Ms. Berglin and Mr. Petty.

H.F. No. 702: Messrs. Diessner, Petty, Knutson, Mrs. Lantry and Ms. Berglin.

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

RECESS

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

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Ms. Berglin moved that the following members be excused for a Conference Committee on H.F. No. 702 at 3:15 p.m.:

Mr. Diessner, Ms. Berglin, Mrs. Lantry, Messrs. Petty and Knutson. The motion prevailed.

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 4:30 p.m.:

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 251 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 251

A bill for an act relating to nursing homes; establishing an educational program for resident and family advisory councils; authorizing a surcharge on license fees; requiring evaluation and a report to the legislature by the Minnesota board on aging; appropriating money; amending Minnesota Statutes 1984, sections 256B.421, subdivision 8; and 256B.431, subdivision 2b; proposing coding for new law in Minnesota Statutes, chapter 144A.

May 17, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 251, report that we have

agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 251 be further amended as follows:

Page 2, line 6, delete "\$1" and insert "\$1.73"

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

Senate Conferees: (Signed) Linda Berglin, Duane D. Benson, Marilyn M. Lantry

House Conferees: (Signed) Ben Boo, Dale A. Clausnitzer, Lee Greenfield

Ms. Berglin moved that the foregoing recommendations and Conference Committee Report on S.F. No. 251 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 251 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 44 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Olson	Renneke
Anderson	Davis	Kroening	Pehler	Schmitz
Belanger	DeCramer	Kronebusch	Peterson, D.C.	Sieloff
Benson	Dicklich	Laidig	Peterson, D.L.	Spear
Berglin	Diessner	Langseth	Peterson, R.W.	Storm
Bernhagen	Frank	Lessard	Pogemiller	Stumpf
Bertram	Frederick	Luther	Purfeerst	Waldorf
Brataas	Hughes	Moe, R.D.	Ramstad	Willet
Chmielewski	Isackson	Nelson	Reichgott	

Mr. Knaak voted in the negative.

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 459 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 459

A bill for an act relating to probate; adopting provisions of the uniform probate code and clarifying laws relating to intestate succession, spouse's elective share, and omitted spouses and children; clarifying provisions relating to the award of costs in guardianship and conservatorship proceedings; providing for the payment of reasonable fees and expenses for certain guardians and conservators; amending Minnesota Statutes 1984, sections 257.34, subdivision 1; 525.13; 525.145; and 525.703; proposing coding for new law in Minnesota Statutes, chapter 524; repealing Minnesota Statutes 1984, sections 525.16; 525.17; 525.171; 525.172; 525.173; 525.20;

525.201; 525.202; 525.212 to 525.216.

May 16, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 459, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 459 be further amended as follows:

Page 6, line 9, after the period, insert *"Nothing in this section shall cause any life insurance, accident insurance, joint annuity, or pension or profit sharing plan payable to a person other than the surviving spouse to be included in the augmented estate."*

Page 6, line 25, delete everything after the comma

Page 6, delete lines 26 to 34

Page 6, line 35, delete *"by the decedent,"*

Page 7, line 5, after the period, insert *"The augmented estate does not include the proceeds of life insurance payable upon the death of the decedent, in lump sum or in the form of an annuity, accident insurance, joint annuity or pension or profit sharing plan, nor does it include premiums paid therefor by the decedent or any other person."*

Page 7, line 13, delete everything after *"death"*

Page 7, line 14, delete *"spouse,"* and insert *"of the kind described in clause (2)(i) of this section"*

Page 7, line 16, after the period, insert *"All other property owned by the surviving spouse as of the decedent's death, or previously transferred by the surviving spouse, is presumed not to have been derived from the decedent except to the extent that an interested party establishes that it was derived from the decedent."*

Page 7, delete lines 17 to 36

Page 8, delete lines 1 to 36

Page 9, delete line 1

Page 15, lines 21 and 22, delete *"(1) is not a relative of the ward or conservatee, and (2)"*

Page 15, line 25, after *"abuse"* delete the comma and insert *"or"* and delete *", or exploitation"*

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

Senate Conferees: (Signed) Allan H. Spear, Gene Merriam, Ron Sieloff

House Conferees: (Signed) Robert E. Vanasek, David T. Bishop, Arthur W. Seaberg

Mr. Spear moved that the foregoing recommendations and Conference Committee Report on S.F. No. 459 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 459 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 46 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Pehler	Storm
Anderson	Diessner	Kroening	Peterson, D.C.	Stumpf
Belanger	Dieterich	Kronebusch	Peterson, R.W.	Vega
Benson	Frank	Laidig	Pogemiller	Waldorf
Berg	Frederickson	Langseth	Purfeerst	Wegscheid
Bernhagen	Gustafson	Luther	Ramstad	Willet
Bertram	Hughes	McQuaid	Reichgott	
Dahl	Isackson	Mehrkens	Renneke	
Davis	Johnson, D.E.	Moe, R.D.	Schmitz	
DeCramer	Kamrath	Nelson	Spear	

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 295 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON 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; designating Hubbard county as a fiscal agent; amending Minnesota Statutes 1984, section 116J.36, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 471.

May 20, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 295, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 295 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [SPECIAL LEVY AUTHORITY.]

Hubbard county may levy a property tax in an amount not to exceed \$45,000 annually to construct, maintain, or operate public park or other recreational facilities or programs. The tax authorized by this section shall be disregarded in the calculation of any levy limitations under Minnesota Statutes, chapter 275.

Sec. 2. [REVERSE REFERENDUM.]

If the Hubbard county board intends to exercise the authority provided by section 1 in subsequent years, it shall pass a resolution stating the fact before January 1, 1986. Thereafter, the resolution shall be published for two successive weeks in the official newspaper of the county or, if there is no official newspaper, in a newspaper of general circulation in the county, together with a notice fixing a date for a public hearing on the matter. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the county may determine to take no further action or, in the alternative, adopt a resolution confirming its intention to exercise the authority. That resolution shall also be published in the official newspaper of the county or, if there is no official newspaper, in a newspaper of general circulation in the county. If within 30 days thereafter a petition signed by voters equal in number to five percent of the votes cast in the county in the last general election requesting a vote on the proposed resolution is filed with the county auditor, the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the election. The referendum must be held at a special or general election prior to December 1, 1986.

Sec. 3. [APPROPRIATION.]

Hubbard county may levy a property tax not greater than \$20,000 annually and disburse its proceeds to operate county agricultural fairs and maintain buildings and grounds used for county agricultural fairs. This section supersedes any inconsistent provision of Minnesota Statutes, sections 38.17, 375.18, subdivision 8, or other law. The tax provided by this act shall be disregarded in the calculation of any other levy or limit on levies provided by Minnesota Statutes, sections 275.50 to 275.56 or other law. The authority allowed by this section is provided at the request of the board of county commissioners of Hubbard county.

Sec. 4. [REVERSE REFERENDUM.]

If the Hubbard county board proposes to exercise the authority provided by section 3, it shall pass a resolution stating the fact before January 1, 1986. Thereafter, the resolution shall be published for two successive weeks in the official newspaper of the county or, if there is no official newspaper, in a newspaper of general circulation in the county, together with a notice fixing a date for a public hearing on the matter. The hearing shall be held not

less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the county may determine to take no further action or, in the alternative, adopt a resolution confirming its intention to exercise the authority. That resolution shall also be published in the official newspaper of the county or, if there is no official newspaper, in a newspaper of general circulation in the county. If within 30 days thereafter a petition signed by voters equal in number to five percent of the votes cast in the county in the last general election requesting a vote on the proposed resolution is filed with the clerk, the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the election. The referendum must be held at a special or general election prior to October 1, 1986.

Sec. 5. [CLEARWATER COUNTY; SPECIAL LEVY FOR COUNTY HOSPITAL COSTS.]

Subdivision 1. Clearwater county may levy a property tax in an amount authorized by the county board, not to exceed a levy of three mills, in excess of any limitation imposed by Minnesota Statutes, sections 275.50 to 275.56, or any other law, for the purpose of funding the operation of the county hospital.

Subd. 2. [REVERSE REFERENDUM.] If the Clearwater county board proposes to increase the levy of the county pursuant to subdivision 1, it shall pass a resolution stating that fact. Thereafter, the resolution shall be published for two successive weeks in the official newspaper of the county or if there is no official newspaper, in a newspaper of general circulation in the county, together with a notice fixing a date for a public hearing on the matter. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the county may determine to take no further action or, in the alternative, adopt a resolution confirming its intention to exercise the authority. That resolution shall also be published in the official newspaper of the county or if there is no official newspaper, in a newspaper of general circulation in the county. If within 30 days thereafter a petition signed by voters equal in number to five percent of the votes cast in the county in the last general election requesting a referendum on the proposed resolution is filed with the county auditor the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. The referendum must be held at a special or general election prior to October 1, 1985.

Sec. 6. [CASS COUNTY; TOURISM AND AGRICULTURE PROMOTION.]

Subdivision 1. The Cass county board may annually levy a tax of a total amount of not more than \$70,000 on taxable property in the county and disburse the proceeds of the levy to promote tourism and agriculture in the county. A levy under this section shall be disregarded in the calculation of any other levies or limits on levies provided by Minnesota Statutes, sections

275.50 to 275.56 or other law.

Subd. 2. [REVERSE REFERENDUM.] If the Cass county board proposes to increase the levy of the county pursuant to subdivision 1, it shall pass a resolution stating that fact. Thereafter, the resolution shall be published for two successive weeks in the official newspaper of the county or if there is no official newspaper, in a newspaper of general circulation in the county, together with a notice fixing a date for a public hearing on the matter. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the county may determine to take no further action or, in the alternative, adopt a resolution confirming its intention to exercise the authority. That resolution shall also be published in the official newspaper of the county or if there is no official newspaper, in a newspaper of general circulation in the county. If within 30 days thereafter a petition signed by voters equal in number to five percent of the votes cast in the county in the last general election requesting a referendum on the proposed resolution is filed with the county auditor the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. The referendum must be held at a special or general election prior to October 1, 1985.

Sec. 7. [LOCAL APPROVAL.]

Sections 1, 2, 3, and 4 are effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the Hubbard county board. Section 5 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the Clearwater county board for taxes levied in 1985, 1986, 1987, and 1988. Section 6 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the Cass county board.

Sec. 8. Minnesota Statutes 1984, section 116J.36, subdivision 6, is amended to read:

Subd. 6. [LOANS, DISTRICT HEATING AND QUALIFIED ENERGY IMPROVEMENTS.] Upon the recommendation of the authority pursuant to subdivision 8, the commissioner of finance shall make loans to municipalities on the following terms:

(a) In the case of loans for design costs, the maximum amount of the loan shall be limited by the provisions of this clause. For cities of the first class and counties containing a city of the first class, individually or through the exercise of joint powers agreements, the amount of the loan shall not exceed 40 percent of the design costs. *For counties containing one city of the first class not exceeding 100,000 inhabitants, the amount of the loan for that portion of the county excluding the city of the first class shall not exceed 80 percent of the design costs.* For cities of the second, third and fourth class, and other municipalities, the amount of the loan shall not exceed 90 percent of the design costs;

(b) In the case for loans for construction costs, a municipality must demonstrate that all design activities have been completed; that the project or

improvement is economically and technologically feasible; that the district heating system or qualified energy improvement will be constructed, and that it has made adequate provisions to assure proper and efficient operation and maintenance of the project or improvement. For cities of the first class and counties containing a city of the first class, individually or through the exercise of joint powers agreements, the amount of the loan shall be up to 50 percent of the construction costs. *For counties containing one city of the first class not exceeding 100,000 inhabitants, the amount of the loan for that portion of the county excluding the city of the first class shall not exceed 80 percent of the construction costs.* For cities of the second class, the amount of the loan shall be up to 80 percent of the construction costs. For cities of the third or fourth class, and other municipalities, the amount of the loan shall be up to 90 percent of the construction costs.

(c) A loan made pursuant to this section is repayable over a period of not more than 20 years from the date the loan is made. Interest shall accrue from the date of the loan at a rate of interest assigned at the date of loan commitment, but the first payment of interest shall not be due until one year after the loan was made. Principal payments shall begin ~~in the sixth year not more than five years after the receipt of the loan on a 25 year level payment schedule with the.~~ *The loan may be amortized in accordance with repayment schedules not exceeding 25 years in length. Any outstanding balance of the principal to be retired with the payment due 20 years after receipt of the loan at the end of the repayment period must be repaid along with the final scheduled payment.* Interest attributable to the first year of deferred payment shall be amortized in equal periodic payments over the remainder of the term of the loan. For each loan, the initial deposit to the state bond fund required by section 16A.65, subdivision 1, shall be made by the commissioner of finance, and no loan may be refused solely because the municipality does not provide the initial deposit.

(d) The authority may also pledge a segregated portion of the energy development fund to guarantee or insure bonds and notes, or the interest rate thereon, issued by the commissioner of finance on behalf of the state of Minnesota for purposes of section 116J.36 or 116J.37.

Sec. 9. [471.924] [COUNTY REGULATION OF PAWNBROKERS, SECOND-HAND AND JUNK DEALERS.]

Subdivision 1. [AUTHORITY.] For the purpose of promoting the health, safety, morals, and general welfare of its residents, any county in the state may regulate the activities of pawnbrokers, second-hand and junk dealers.

Subd. 2. [IMPLEMENTATION.] The purposes and objectives of the authority granted by this section shall be furthered by the adoption and passage of county-wide regulations or ordinance provisions.

Sec. 10. [471.925] [DEFINITIONS.]

For purposes of sections 9 to 14, the following terms have the meanings given them:

(1) "pawnbroker" means a person who loans money on deposit or pledge of personal property, or other valuable thing, or who deals in the purchasing of personal property or other valuable thing on condition of selling the same back again at a stipulated price, or who loans money secured by chattel

mortgage or personal property, taking possession of the property or any part thereof so mortgaged; and

(2) "second-hand goods" or "junk dealer" means a person engaged in the business of buying second-hand goods of any kind, including but not limited to coins, gold, silver, jewelry, metals, guns, and wrecked or dismantled motor vehicles or motor vehicles intended to be wrecked or dismantled, but not including used goods and merchandise taken as part or full payment for new goods and merchandise.

Sec. 11. [471.926] [RELATION TO OTHER COUNTY AUTHORITY.]

Any ordinance adopted by a county pursuant to sections 9 to 14 shall complement and be in addition to any other authority granted to a county pursuant to state statute or rule.

Sec. 12. [471.927] [COOPERATION WITH MUNICIPALITIES.]

The governing body of any municipality may continue to exercise the authority to regulate pawnbrokers and second-hand or junk dealers as provided by law, but may contract with the county board of commissioners for administration and enforcement of county-wide regulations or ordinance provisions within the borders of the municipality.

Sec. 13. [471.928] [RECORDING.]

Any ordinance adopted pursuant to sections 9 to 14 must be filed with the county recorder. The county auditor shall file a certified copy of the ordinance for record.

Sec. 14. [471.929] [ENFORCEMENT.]

The duties of enforcing an ordinance adopted pursuant to this section shall be imposed by the county board upon the county sheriff's department.

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.

Sec. 16. [STEARNS COUNTY AGGREGATE MATERIAL.]

The Stearns county board may by resolution exempt from the tax imposed pursuant to Minnesota Statutes, section 298.75, any crushed granite rock used only for railroad ballast purposes produced in Stearns county which is transported by railroad and which is not transported on or used on any roads, streets, or highways.

Sec. 17. [EFFECTIVE DATE.]

Section 16 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the Stearns county board."

Amend the title as follows:

Page 1, line 15, after the semicolon insert "exempting certain aggregate material in Stearns county from the aggregate tax;"

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

Senate Conferees: (Signed) Gerald L. Willet, Ronald R. Dicklich, James C. Pehler

House Conferees: (Signed) Maurice J. Zaffke, Bernard J. Brinkman, Marcus Marsh

Mr. Willet moved that the foregoing recommendations and Conference Committee Report on S.F. No. 295 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 295 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 39 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Laidig	Nelson	Schmitz
Benson	Frank	Langseth	Pehler	Storm
Bertram	Frederickson	Lessard	Peterson, D.C.	Stumpf
Dahl	Freeman	Luther	Peterson, R.W.	Taylor
Davis	Gustafson	Mehrkens	Pogemiller	Vega
DeCramer	Hughes	Merriam	Purfeerst	Waldorf
Dicklich	Kroening	Moe, D.M.	Reichgott	Willet
Diessner	Kronebusch	Moe, R.D.	Renneke	

Mr. Sieloff voted in the negative.

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 5 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 5

A bill for an act relating to alcoholic beverages; increasing the age for licensing, sale, purchase, consumption, possession, and furnishing of alcoholic beverages; establishing programs for education on avoidable health risks related to alcohol and other drugs; increasing the fee for the reinstatement of drivers licenses revoked for alcohol-related violations; appropriating money; amending Minnesota Statutes 1984, sections 171.29, subdivision 2; 340.02, subdivision 8; 340.035, subdivision 1; 340.039; 340.119, subdivision 2; 340.13, subdivision 12; 340.403, subdivision 3; 340.73, subdivision 1; 340.731; 340.732; 340.79; and 340.80.

May 17, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 5, report that we have agreed

upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 5 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 171.06, subdivision 3, is amended to read:

Subd. 3. [CONTENTS OF APPLICATION.] Every application shall state the full name, date of birth, sex and residence address of the applicant, a description of the applicant in such manner as the commissioner may require, and shall state whether or not the applicant has theretofore been licensed as a driver; and, if so, when and by what state or country and whether any such license has ever been suspended or revoked, or whether an application has ever been refused; and, if so, the date of and reason for such suspension, revocation, or refusal, together with such facts pertaining to the applicant and his ability to operate a motor vehicle with safety as may be required by the commissioner. The application form shall contain a notification to the applicant of the availability of the donor document provided pursuant to section 171.07, subdivision 5, and shall contain spaces where the applicant must indicate a desire to receive or not to receive the donor document. The application shall be in the form prepared by the commissioner.

The application form must be accompanied by a pamphlet containing relevant facts relating to:

(1) the effect of alcohol on driving ability;

(2) the effect of mixing alcohol with drugs;

(3) the laws of Minnesota relating to operation of a motor vehicle while under the influence of alcohol or a controlled substance;

(4) the levels of alcohol-related fatalities and accidents in Minnesota and of arrests for alcohol-related violations.

Sec. 2. Minnesota Statutes 1984, section 171.13, is amended by adding a subdivision to read:

Subd. 1b. [DRIVER'S MANUAL.] The commissioner shall include in each edition of the driver's manual published by the department a chapter relating to the effect of alcohol consumption on highway safety and on the ability of drivers to safely operate motor vehicles and a summary of the laws of Minnesota on operating a motor vehicle while under the influence of alcohol or a controlled substance.

Sec. 3. Minnesota Statutes 1984, section 171.29, subdivision 2, is amended to read:

Subd. 2. ~~Any~~ A person whose drivers license has been revoked as provided in subdivision 1, except under section 169.121 or 169.123, shall pay a \$30 fee before his drivers license is reinstated. A person whose drivers license has been revoked as provided in subdivision 1 under section 169.121 or 169.123 shall pay a ~~\$100~~ \$150 fee before his drivers license is reinstated; ~~75 percent~~. *This fee shall be divided as follows:*

(a) \$75 of this fee shall be credited to the trunk highway fund and 25

percent.

(b) \$25 shall be credited to the general fund.

(c) \$25 shall be credited to a special account to be known as the alcohol impaired driver education account. Money in the account is appropriated to the commissioner of education for grants to develop alcohol impaired driver education programs in elementary, secondary, and post-secondary schools. The state board of education shall establish guidelines for the distribution of the grants. The commissioner of education shall report to the legislature by January 15, 1987, on the expenditure of grant funds under this section.

(d) \$25 shall be credited to a separate account to be known as the county probation reimbursement account. Funds in this account are appropriated to the commissioner of corrections for the costs that counties assume under Laws 1959, chapter 698, in providing probation and parole services to wards of the commissioner of corrections. These funds are provided in addition to any funds which the counties currently receive under section 260.311, subdivision 5.

Sec. 4. Minnesota Statutes 1984, section 340.02, subdivision 8, is amended to read:

Subd. 8. [PERSONS ELIGIBLE.] Licenses hereunder shall be issued only to persons who are citizens of the United States or resident aliens, who are of good moral character and repute, who have attained the age of ~~19~~ 21 years and who are proprietors of the establishments for which the licenses are issued.

Sec. 5. Minnesota Statutes 1984, section 340.035, subdivision 1, is amended to read:

Subdivision 1. It is unlawful for any:

(1) licensee or his employee to permit any person under the age of ~~19~~ 21 years to consume nonintoxicating malt liquor on the licensed premises;

(2) person other than the parent or legal guardian to procure nonintoxicating malt liquor for any person under the age of ~~19~~ 21 years;

(3) person to induce a person under the age of ~~19~~ 21 years to purchase or procure nonintoxicating malt liquor.

Sec. 6. Minnesota Statutes 1984, section 340.119, subdivision 2, is amended to read:

Subd. 2. A bottle club may allow members to bring and keep a personal supply of intoxicating liquors in lockers assigned to such members. A bottle club or any unincorporated society which shall have more than 50 members and which shall have, for more than a year, owned, hired, or leased space in a building of such extent and character as may be suitable and adequate for reasonable and comfortable accommodations for its members, may allow members to bring and keep a personal supply of intoxicating liquors in lockers assigned to such members. Every bottle, container, or other receptacle containing intoxicating liquor stored by members shall have attached to it a label signed by the member of the club. All liquor on the premises of the club shall be labeled as herein required, and any not being actually used or consumed by the owner thereof shall be kept in a locker designated to the use

of such member. It shall be unlawful for any club member under ~~19~~ 21 years of age to be assigned a locker for the storage of intoxicating liquor, or to consume or display or be permitted to consume or display intoxicating liquor on any premises owned or controlled by such private club.

Sec. 7. Minnesota Statutes 1984, section 340.13, subdivision 12, is amended to read:

Subd. 12. [LICENSES; PERSONS ELIGIBLE.] No license shall be issued to a person other than a citizen of the United States or resident alien, ~~19~~ 21 years of age or over, who shall be of good moral character and repute; nor to any person who within five years prior to the application for the license has been convicted of any willful violation of any law of the United States or the state of Minnesota or of any local ordinance with regard to the manufacture, sale, distribution, or possession for sale or distribution of intoxicating liquor; nor to any person whose license under the Intoxicating Liquor Act is revoked for a willful violation of any of those laws or ordinances.

Sec. 8. Minnesota Statutes 1984, section 340.14, subdivision 1a, is amended to read:

Subd. 1a. [PERSONS DENIED ACCESS.] No intoxicating liquor shall be sold, furnished, or delivered for any purpose to any ~~minor~~ person under the age of 21 years or to any person obviously intoxicated or to any of the persons to whom sale is prohibited by statute.

Sec. 9. Minnesota Statutes 1984, section 340.15, is amended by adding a subdivision to read:

Subd. 1a. No manufacturer, wholesaler, or retailer of alcoholic beverages, whether holding a license in Minnesota or not, may conduct, sponsor, or contribute financially to events or activities which:

(a) are held on the campuses or other property of a post-secondary institution of learning, and

(b) involve as a part thereof the consumption or sale of alcoholic beverages.

This subdivision does not affect on-campus, licensed retailers of alcoholic beverages.

Sec. 10. Minnesota Statutes 1984, section 340.403, subdivision 3, is amended to read:

Subd. 3. [LICENSE GRANTED.] Upon the filing of an application, the approval of the bond, and the payment of the license fee, the commissioner shall grant the license unless it appears that the applicant: (1) is not a citizen of the United States or resident alien; or (2) is not ~~19~~ 21 years of age or over; or (3) has been convicted of a felony under the laws of this state; or (4) has had his license revoked within a period of one year prior to the filing of his application; or (5) has not been a resident of Minnesota or has not been qualified as a corporation to do business in Minnesota for more than 90 days prior to application. In the event the applicant is a corporation its managing officers must possess the qualifications stated in clauses (1), (2), (3), and (4).

No wholesale malt beverage license shall be granted to any person unless he has within the state of Minnesota warehouse space either owned or leased

by him and has adequate delivery facilities to perform the function of wholesaling malt beverages. However, the requirements of this subdivision as to residence and warehouse space shall not apply to any wholesaler in an adjoining state that permits Minnesota resident licensees to deliver malt beverages to retailers without warehousing in that state or to any wholesaler in an adjoining state delivering malt beverages manufactured in Minnesota.

Sec. 11. Minnesota Statutes 1984, section 340.73, subdivision 1, is amended to read:

Subdivision 1. It is unlawful for any person, except a licensed pharmacist to sell, give, barter, furnish, deliver, or dispose of, in any manner, either directly or indirectly, any intoxicating liquors or nonintoxicating malt liquors in any quantity, for any purpose, to any person under the age of 49 21 years, or to any obviously intoxicated person.

Sec. 12. Minnesota Statutes 1984, section 340.731, is amended to read:

340.731 [PERSONS UNDER 49 21 YEARS, FORBIDDEN ACTS OR STATEMENTS.]

It shall be unlawful for (1) a person under the age of 49 21 years to enter any premises licensed for the retail sale of alcoholic beverages or any municipal liquor store for the purpose of purchasing, or having served or delivered to him or her, any alcoholic beverage containing more than one-half of one percent of alcohol by volume; or

(2) a person under the age of 49 21 years to purchase, attempt to purchase or have another purchase for him or her any intoxicating liquor or nonintoxicating malt liquor; or

(3) any person to misrepresent or misstate his or her age, or the age of any other person for the purpose of inducing any licensee or any employee of any licensee, or any employee of any municipal liquor store, to sell, serve or deliver any alcoholic beverage to a person under the age of 49 21 years; or

(4) a person under the age of 49 21 years to have in his or her possession any intoxicating liquor or non-intoxicating malt liquor, with intent to consume same at a place other than the household of his or her parent or guardian. Possession of such intoxicating liquor or nonintoxicating malt liquor at a place other than the household of his or her parent or guardian shall be prima facie evidence of intent to consume the same at a place other than the household of his or her parent or guardian; or

(5) a person under the age of 49 21 years to consume any intoxicating liquor or nonintoxicating malt liquor unless in the household of his or her parent or guardian and with the consent of his or her parent or guardian.

Sec. 13. Minnesota Statutes 1984, section 340.80, is amended to read:

340.80 [INDUCING CERTAIN PERSONS TO ENTER LIQUOR ESTABLISHMENTS; PENALTY.]

Any person who shall assist, procure or induce any person under the age of 49 21 years or other person to whom the sale of liquor is by law forbidden, to enter or visit any saloon, bar, buffet or public drinking place for the purpose of obtaining intoxicating liquors, is guilty of a gross misdemeanor; and, upon conviction, punished therefor according to the laws of the state.

Sec. 14. [REPEALER.]

Minnesota Statutes 1984, section 340.79, is repealed.

Sec. 15. [EFFECTIVE DATE.]

Sections 1, 2, 3, and 9 are effective July 1, 1985. Sections 4 to 8, and 10 to 14 are effective September 30, 1986; except that these sections are not effective if, by September 30, 1986:

(a) any state bordering Minnesota has not established a minimum drinking age of 21 for intoxicating liquor; or

(b) United States Code, title 23, section 158 is repealed."

Delete the title and insert:

"A bill for an act relating to alcoholic beverages; increasing the age for licensing, sale, consumption, possession, and furnishing; restricting certain promotion; establishing programs for the prevention of alcohol-impaired driving among young drivers and for education on avoidable health risks; increasing the fee for the reinstatement of drivers licenses revoked for alcohol-related violations; appropriating money; amending Minnesota Statutes 1984, sections 171.06, subdivision 3; 171.13, by adding a subdivision; 171.29, subdivision 2; 340.02, subdivision 8; 340.035, subdivision 1; 340.119, subdivision 2; 340.13, subdivision 12; 340.14, subdivision 1a; 340.15, by adding a subdivision; 340.403, subdivision 3; 340.73, subdivision 1; 340.731; and 340.80; repealing Minnesota Statutes 1984, section 340.79."

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

Senate Conferees: (Signed) A.W. "Bill" Diessner, Jim Ramstad, Clarence M. Purfeerst, Sam G. Solon, Dean E. Johnson

House Conferees: (Signed) Gary L. Schafer, Gil Gutknecht, Bert J. McKasy, Don Valento, Randy C. Kelly

Mr. Diessner moved that the foregoing recommendations and Conference Committee Report on S.F. No. 5 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 5 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 44 and nays 12, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hughes	Mehrkens	Renneke
Anderson	DeCramer	Isackson	Merriam	Sieloff
Belanger	Diessner	Johnson, D.E.	Moe, D.M.	Spear
Benson	Dieterich	Jude	Olson	Storm
Berg	Frank	Knaak	Pehler	Stumpf
Bernhagen	Frederick	Kronebusch	Peterson, D.L.	Taylor
Brataas	Frederickson	Laidig	Purfeerst	Wegscheid
Chmielewski	Freeman	Luther	Ramstad	Willet
Dahl	Gustafson	McQuaid	Reichgott	

Those who voted in the negative were:

Bertram
Dicklich
Kamrath

Kroening
Lessard
Nelson

Peterson, D.C.
Peterson, R.W.

Pogemiller
Schmitz

Vega
Waldorf

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1176 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 1176

A bill for an act relating to children; requiring a new job classification in child protection; requiring continuing education; providing for a joint training program; requiring a report to the legislature; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 626.

May 17, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1176, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 1176 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [626.559] [SPECIALIZED TRAINING AND EDUCATION REQUIRED.]

Subdivision 1. [JOB CLASSIFICATION; CONTINUING EDUCATION.] The commissioner of human services, for employees subject to the Minnesota merit system, and directors of county personnel systems, for counties not subject to the Minnesota merit system, shall establish a job classification consisting exclusively of persons with the specialized knowledge, skills, and experience required to satisfactorily perform child protection duties pursuant to section 626.556, subdivisions 10, 10a, and 10b.

All child protection workers or social services staff having responsibility for child protective duties under section 626.556, subdivisions 10, 10a, and 10b, shall receive 15 hours of continuing education or in-service training each year. The local social service agency shall submit an annual plan for the provision of these hours of education and training to the commissioner of human services for approval.

Subd. 2. [JOINT TRAINING.] The commissioners of human services and public safety shall cooperate in the development of a joint program for training child abuse services professionals in the appropriate techniques for child abuse assessment and investigation. The program shall include but need not be limited to the following areas:

(1) the public policy goals of the state as set forth in section 260.011 and the role of the assessment or investigation in meeting these goals;

(2) the special duties of child protection workers and law enforcement officers under section 626.556;

(3) the appropriate methods for directing and managing affiliated professionals who may be utilized in providing protective services and strengthening family ties;

(4) the appropriate methods for interviewing alleged victims of child abuse and other minors in the course of performing an assessment or an investigation;

(5) the dynamics of child abuse and neglect within family systems and the appropriate methods for interviewing parents in the course of the assessment or investigation;

(6) the legal, evidentiary considerations that may be relevant to the conduct of an assessment or an investigation;

(7) the circumstances under which it is appropriate to remove the alleged abuser or the alleged victim from the home;

(8) the protective social services that are available to protect alleged victims from further abuse, to prevent child abuse, and to preserve the family unit; and

(9) the methods by which child protection workers and law enforcement workers cooperate in conducting assessments and investigations in order to avoid duplication of efforts.

Subd. 3. [PRIORITY TRAINING.] The commissioners of human services and public safety shall provide the program courses described in subdivision 2 at convenient times and locations in the state. The commissioners shall give training priority in the program areas cited in subdivision 2 to persons currently performing assessments and investigations pursuant to section 626.556, subdivisions 10, 10a, and 10b.

Subd. 4. [REPORT.] By February 1, 1986, the commissioners of human services and public safety shall report to the legislature on the implementation of the joint training program established under subdivision 2. The report may include legislative recommendations on the establishment of a multidisciplinary training program for child abuse services professionals.

Sec. 2. [APPROPRIATIONS.]

Subdivision 1. [COMMISSIONER OF HUMAN SERVICES.] \$53,400 is appropriated from the general fund to the commissioner of human services for purposes of section 1 to be available for the fiscal year ending June 30, 1986.

Subd. 2. [COMMISSIONER OF PUBLIC SAFETY.] \$156,000 is appropriated from the general fund to the commissioner of public safety for purposes of section 1, \$78,000 to be available for the fiscal year ending June 30, 1986, and \$78,000 to be available for the fiscal year ending June 30, 1987.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective July 1, 1985."

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

Senate Conferees: (Signed) Gene Merriam, Eric D. Petty, William V. Belanger, Jr.

House Conferees: (Signed) Kathleen Blatz, Kathleen Vellenga, Ralph R. Kiffmeyer

Mr. Merriam moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1176 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 1176 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 52 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 862 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 862

A bill for an act relating to courts; providing conciliation court with jurisdiction to determine actions brought by educational institutions to recover student loans; amending Minnesota Statutes 1984, sections 487.30, by adding a subdivision; 488A.12, subdivision 3; and 488A.29, subdivision 3.

May 17, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 862, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 862 be

further amended as follows:

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 1984, section 485.01, is amended to read:

485.01 [APPOINTMENT; BOND; DUTIES.]

A clerk of the district court for each county within the judicial district, *who shall be known as the court administrator*, shall be appointed by a majority of the district court judges in the district, after consultation with the county court judges of the county court district affected. The clerk, before entering upon the duties of his office, shall give bond to the state, to be approved by the chief judge of the judicial district, in a penal sum of not less than \$1,000 nor more than \$10,000 conditioned for the faithful discharge of his official duties. The bond, with his oath of office, shall be filed for record with the county recorder. The clerk shall perform all duties assigned him by law and by the rules of the court. He shall not practice as an attorney in the court of which he is the clerk.

The duties, functions, and responsibilities which have been and may be required by statute or law to be performed by the clerk of district court shall be performed by the court administrator.

Sec. 2. Minnesota Statutes 1984, section 486.05, subdivision 1, is amended to read:

Subdivision 1. In all judicial districts a salary range for court reporters shall be established annually by the judicial district administrator with the approval of a majority of judges of the district. The salary for each court reporter shall be set within that range annually by the district administrator after consultation with the chief judge. ~~Nothing herein shall change in this subdivision changes the manner by which court reporters are paid, the proportions among the various counties of a judicial district by which the funds are allocated or any statutory provisions related to court reporter compensation other than the manner of setting salary. Each county shall be required by order to pay a specified amount thereof of the salary in monthly installments, which shall be such the proportion of the whole salary as the population in each county bears to the total population in the district as set forth in the most recent federal census. It is provided, however, that in the event~~ If a judge is temporarily transferred to hold court in some a county other than in his outside of the judge's judicial district then, and in that event, the said that county shall pay that a part of the monthly salary of the judge's reporter as that equal to the part of the month worked by said the reporter in said the county. Each reporter shall have and maintain his residence in the district in which he is appointed. The reporter, in addition to his a salary, shall be paid such sums as he shall accrue as necessary mileage, traveling, and hotel expenses incurred in the discharge of official duties while absent from the city in which he resides in the discharge of his official duties district where the judge the reporter serves is assigned, such. The expenses are to be paid by the county for which the same expenses were incurred upon presentation of a verified itemized statement thereof approved by the judge; and the auditor of such the county, upon presentation of such the approved statement, shall issue his a warrant in for payment thereof.

This subdivision supersedes all laws now in force relating to the salary of

district court reporters inconsistent ~~herewith relating to any and all counties are hereby repealed and superseded with this subdivision~~, except the manner of setting salary as ~~hereinbefore set forth shall in this subdivision~~ does not apply to the second and fourth judicial districts."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "providing that clerks of district court shall be known as court administrators; eliminating certain mileage expenses that court reporters may claim for reimbursement; eliminating the requirement that court reporters reside in the district of their appointment;"

Page 1, line 5, after "sections" insert "485.01; 486.05, subdivision 1;"

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

Senate Conferees: (Signed) James C. Pehler, Gene Merriam, Lawrence J. Pogemiller, Dean E. Johnson, Michael O. Freeman

House Conferees: (Signed) Bert J. McKasy, Charles C. Halberg, Terry Dempsey, Gary L. Schafer

Mr. Pehler moved that the foregoing recommendations and Conference Committee Report on S.F. No. 862 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 862 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	DeCramer	Johnson, D.E.	Moe, D.M.	Spear
Belanger	Dicklich	Jude	Olson	Storm
Benson	Dieterich	Kamrath	Pehler	Stumpf
Berg	Frank	Knaak	Peterson, D.C.	Taylor
Bernhagen	Frederick	Kroening	Peterson, D.L.	Vega
Bertram	Frederickson	Kronebusch	Peterson, R.W.	Waldorf
Brataas	Freeman	Lessard	Ramstad	Wegscheid
Chmielewski	Gustafson	McQuaid	Reichgott	Willet
Dahl	Hughes	Mehrkens	Renneke	
Davis	Isackson	Merriam	Schmitz	

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 647 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 647

A bill for an act relating to education; Minnesota Educational Computing

Corporation; removing some limits on its powers; providing for compliance with certain bidding laws for management computing services; amending Minnesota Statutes 1984, sections 119.04, subdivision 2; 119.05, subdivision 2; and 119.07.

May 17, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 647, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 647 be further amended as follows:

Page 1, line 23, strike "within the limits"

Page 1, strike line 24

Page 1, line 25, strike "subdivision 1, who" and insert "*at not to exceed 95 percent of the salary of the governor as provided by section 15A.081, subdivision 6. The chief officer*"

Page 2, line 26, reinstate the stricken language

Page 2, line 27, before the period insert "*except for administrative microcomputer software products developed by the corporation*"

Page 2, lines 27 to 31, delete the new language

Amend the title as follows:

Page 1, line 5, before "amending" insert "limiting the salary of the chief officer;"

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

Senate Conferees: (Signed) James C. Pehler, Gen Olson, Donald M. Moe

House Conferees: (Signed) Wendell O. Erickson, Daniel J. Knuth, Dean Hartle

Mr. Pehler moved that the foregoing recommendations and Conference Committee Report on S.F. No. 647 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 647 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 37 and nays 10, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kroening	Peterson, D.C.	Storm
Berg	Dieterich	Kronebusch	Peterson, D.L.	Stumpf
Bernhagen	Frank	Lessard	Purfeerst	Vega
Bertram	Frederick	Luther	Ramstad	Waldorf
Chmielewski	Frederickson	McQuaid	Reichgott	Willet
Dahl	Freeman	Moe, D.M.	Renneke	
Davis	Hughes	Olson	Schmitz	
DeCramer	Knaak	Pehler	Spear	

Those who voted in the negative were:

Anderson	Isackson	Jude	Mehrkens	Peterson, R.W.
Benson	Johnson, D.E.	Kamrath	Merriam	Wegscheid

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 863 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 863

A bill for an act relating to commerce; modifying the definition of credit card to include other types of instruments; prescribing criminal penalties for financial transaction card fraud; amending Minnesota Statutes 1984, sections 325G.02, subdivisions 2 and 4; 325G.03; 325G.04; 325G.041; 325G.05; 609.52, subdivisions 1 and 2; and 609.625, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609.

May 20, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 863, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 863 be further amended as follows:

Page 11, line 19, delete "*defrauding*" and insert "*inducing*" and delete "*extend credit*" and insert "*issue a financial transaction card*"

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

Senate Conferees: (Signed) Ember D. Reichgott, William P. Luther, Jim Ramstad

House Conferees: (Signed) Arthur W. Seaberg, Marcus M. Marsh, Joel Jacobs

Ms. Reichgott moved that the foregoing recommendations and Conference Committee Report on S.F. No. 863 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 863 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 49 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Isackson	Merriam	Schmitz
Anderson	DeCramer	Johnson, D.E.	Moe, D.M.	Solon
Belanger	Dicklich	Jude	Olson	Spear
Benson	Dieterich	Kamrath	Peterson, D.C.	Storm
Berg	Frank	Knaak	Peterson, D.L.	Stumpf
Bernhagen	Frederick	Kroening	Peterson, R.W.	Taylor
Bertram	Frederickson	Kronebusch	Purfeerst	Vega
Brataas	Freeman	Lessard	Ramstad	Waldorf
Chmielewski	Gustafson	Luther	Reichgott	Willet
Dahl	Hughes	McQuaid	Renneke	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Ms. Peterson, D.C. moved that S.F. No. 882 be taken from the table. The motion prevailed.

S.F. No. 882: A bill for an act relating to commerce; clarifying submission of applications for directors and officers liability insurance; providing for the withdrawal of certain registration statements; broadening the securities transaction exemptions for isolated sales and limited offerings; repealing the securities transaction for preorganization offerings; simplifying an exemption from franchise registration; providing for disclosure of representation by real estate brokers and salespersons; expanding those officers who may verify corporate broker licenses; altering re-examination requirements for brokers and salespersons who fail to renew their licenses; altering the unclaimed property reporting deadline for life insurance companies; raising the aggregation amount for holders reporting unclaimed property; specifying dates for notifying and advertising owners of abandoned property; and providing for the notification of all lienholders by a unit owners association in an assessment lien foreclosure; amending Minnesota Statutes 1984, sections 60A.08, by adding a subdivision; 80A.10, by adding a subdivision; 80A.13, subdivision 1; 80A.15, subdivision 2; 80C.03; 82.19, subdivision 3, and by adding a subdivision; 82.20, subdivision 4; 82.21, subdivision 1; 82.22, subdivision 10; 82.24, subdivision 4; 345.41; 345.42, subdivisions 1 and 3; and 515A.3-115; proposing coding for new law in Minnesota Statutes, chapter 82.

CONCURRENCE AND REPASSAGE

Ms. Peterson, D.C. moved that the Senate concur in the amendments by the House to S.F. No. 882 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 882: A bill for an act relating to commerce; clarifying submission of applications for directors and officers liability insurance; providing for the

withdrawal of certain registration statements; broadening the securities transaction exemptions for isolated sales and limited offerings; simplifying an exemption from franchise registration; providing for disclosure of representation by real estate brokers and salespersons; expanding those officers who may verify corporate broker licenses; altering re-examination requirements for brokers and salespersons who fail to renew their licenses; altering the unclaimed property reporting deadline for life insurance companies; raising the aggregation amount for holders reporting unclaimed property; specifying dates for notifying and advertising owners of abandoned property; and providing for the notification of all lienholders by a unit owners association in an assessment lien foreclosure; amending Minnesota Statutes 1984, sections 60A.08, by adding a subdivision; 80A.10, by adding a subdivision; 80A.13, subdivision 1; 80A.15, subdivision 2; 80C.03; 82.19, subdivision 3, and by adding a subdivision; 82.20, subdivision 4; 82.21, subdivision 1; 82.22, subdivision 10; 82.24, subdivision 4; 345.41; 345.42, subdivisions 1 and 3; and 515A.3-115; proposing coding for new law in Minnesota Statutes, chapter 82.

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

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

The roll was called, and there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Jude	Peterson, D.C.	Storm
Anderson	DeCramer	Kamrath	Peterson, D.L.	Stumpf
Belanger	Dieterich	Knaak	Peterson, R.W.	Taylor
Benson	Frank	Kroening	Purfeerst	Vega
Berg	Frederick	Kronebusch	Ramstad	Waldorf
Bernhagen	Frederickson	Laidig	Reichgott	Willet
Bertram	Gustafson	Luther	Renneke	
Brataas	Hughes	McQuaid	Schmitz	
Chmielewski	Isackson	Moe, D.M.	Sieloff	
Dahl	Johnson, D.E.	Olson	Spear	

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

Without objection, the Senate reverted to the Orders of Business of Messages From the House and First Reading of House Bills.

MESSAGES FROM THE HOUSE

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. 719: A bill for an act relating to wild animals; authorizing the commissioner of natural resources to permit, on an experimental basis, the taking of two deer by one hunter, under conditions and restrictions prescribed by order; requiring the removal of elk from the state; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 97.

Senate File No. 719 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. Stumpf moved that the Senate do not concur in the amendments by the House to S.F. No. 719, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 440:

H.F. No. 440: A bill for an act relating to retirement; making various changes in laws governing public retirement funds; amending Minnesota Statutes 1984, sections 3.85, subdivisions 11 and 12; 353.657, subdivision 2a; 354.44, subdivision 6; 354A.35, subdivision 1; 356.20, subdivision 4; 356.215, subdivision 4; 356.216; and 356.70.

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

Knickerbocker, Sviggum, Gutknecht, Sarna and Simoneau have been appointed as such committee on the part of the House.

House File No. 440 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 20, 1985

Mr. Moe, D.M. moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 440, 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 House Files, herewith transmitted: H.F. Nos. 658, 1258 and 1300.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

FIRST READING OF HOUSE BILLS

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

H.F. No. 658: A bill for an act relating to health; regulating community health services; amending Minnesota Statutes 1984, sections 145.912, subdivision 15; 145.917, subdivisions 2, 3, and 4; 145.921; and 145.922; repealing Minnesota Statutes 1984, section 145.912, subdivisions 16, 17, and 18.

Mr. Luther moved that H.F. No. 658 be laid on the table. The motion prevailed.

H.F. No. 1258: A bill for an act relating to human services; revising methods for determining state payments to counties for administrative costs of public assistance programs; revising the community social services act; requiring the commissioner to develop standards; establishing minimum funding levels; requiring a study; authorizing certain persons to provide foster or family care services; amending Minnesota Statutes 1984, sections 256D.22; 256E.05, subdivision 3; 256E.06, subdivisions 2, 2a, 3, 5, 6, and by adding subdivisions; 256E.08, subdivision 1; 256E.09, subdivisions 1, 2, and 3; and 382.18; repealing Minnesota Statutes 1984, section 256E.06, subdivision 7.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1094, now on General Orders.

H.F. No. 1300: A bill for an act relating to the development of timber resources on tax-forfeited lands; transferring certain powers and duties of the commissioner of iron range resources and rehabilitation to the commissioner of natural resources; amending Minnesota Statutes 1984, section 282.38, subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 83, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 83 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

CONFERENCE COMMITTEE REPORT ON H.F. NO. 83

A bill for an act relating to courts; eliminating restrictions on the chief judge's ability to make assignments to juvenile court in Hennepin and Ramsey counties; amending Minnesota Statutes 1984, section 260.019, subdivision 3.

May 17, 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. 83, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 83 be further

amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [DESIGNATION OF JUVENILE COURT JUDGE.]

Notwithstanding the provisions of Minnesota Statutes, section 260.019, subdivision 3, the chief judge in Hennepin and Ramsey counties may designate any judge to hear cases under sections 260.011 to 260.301 as a principal assignment regardless of how long the judge has served on that assignment.

Sec. 2. [REPEALER.]

Section 1 is repealed effective August 1, 1989.

Sec. 3. [EFFECTIVE DATE.]

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

Delete the title and insert:

"A bill for an act relating to courts; authorizing the chief judge in Hennepin and Ramsey counties to extend the principal assignment of certain juvenile court judges."

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

House Conferees: (Signed) Mary M. Forsythe, Charles C. Halberg, Randy C. Kelly

Senate Conferees: (Signed) Ember D. Reichgott, Donald A. Storm

Ms. Reichgott moved that the foregoing recommendations and Conference Committee Report on H.F. No. 83 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. Spear moved that the recommendations and Conference Committee Report on H.F. No. 83 be rejected and that the bill be re-referred to the Conference Committee as formerly constituted for further consideration.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 25 and nays 32, as follows:

Those who voted in the affirmative were:

Berg	Frederick	Knutson	Peterson, D.C.	Sieloff
Brataas	Frederickson	Kronebusch	Peterson, D.L.	Spear
Dahl	Freeman	Merriam	Peterson, R.W.	Taylor
Davis	Hughes	Moe, D.M.	Purfeerst	Vega
Dieterich	Knaak	Novak	Renneke	Waldorf

Those who voted in the negative were:

Adkins	Diessner	Kroening	Moe, R.D.	Solon
Anderson	Frank	Langseth	Nelson	Storm
Berglin	Gustafson	Lantry	Olson	Stumpf
Bernhagen	Isackson	Lessard	Petty	Willet
Bertram	Johnson, D.E.	Luther	Ramstad	
Chmielewski	Jude	McQuaid	Reichgott	
DeCramer	Kamrath	Mehrkins	Schmitz	

The motion did not prevail.

The question recurred on the motion of Ms. Reichgott. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 83 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 45 and nays 16, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	McQuaid	Ramstad
Anderson	Diessner	Knutson	Mehrkens	Reichgott
Belanger	Freeman	Kroening	Moe, D.M.	Samuelson
Berg	Gustafson	Kronebusch	Moe, R.D.	Schmitz
Berglin	Hughes	Laidig	Nelson	Solon
Bernhagen	Isackson	Langseth	Olson	Storm
Bertram	Johnson, D.E.	Lantry	Peterson, D.C.	Stumpf
Brataas	Jude	Lessard	Petty	Taylor
Chmielewski	Kamrath	Luther	Purfeerst	Willet

Those who voted in the negative were:

Benson	Frederick	Pehler	Renneke	Vega
Davis	Frederickson	Peterson, D.L.	Sieloff	Waldorf
Dieterich	Merriam	Peterson, R.W.	Spear	Wegscheid
Frank				

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

MESSAGES FROM THE HOUSE - CONTINUED

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. 633, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 633 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

CONFERENCE COMMITTEE REPORT ON H.F. NO. 633

A bill for an act relating to traffic regulations; providing for a temporary definition of school bus; providing for book racks and "MN" designation on school buses; amending Minnesota Statutes 1984, section 169.44, by adding subdivisions.

May 16, 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. 633, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 633 be further amended as follows:

Page 2, line 2, after "state" insert "*after July 1, 1985,*"

Page 2, line 8, after "6" insert "*or 171.01, subdivision 21*"

Page 2, line 14, delete "1985" and insert "1986"

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

House Conferees: (Signed) Merlyn O. Valan, Terry Dempsey, Allen Quist

Senate Conferees: (Signed) Dean E. Johnson, Lyle G. Mehrkens, Marilyn M. Lantry

Mr. Johnson, D.E. moved that the foregoing recommendations and Conference Committee Report on H.F. No. 633 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. 633 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 54 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 866: A bill for an act relating to solid waste and sewage sludge

management; restricting land disposal of solid waste in the metropolitan area; providing for the financing of resource recovery facilities in the metropolitan area by counties and the metropolitan council; changing provisions relating to designation plans, disposal sites, local disposal fees, metropolitan sludge and sludge ash facilities, and metropolitan county ordinances; granting and clarifying the powers which may be exercised by a county located outside the metropolitan area if it enters into an agreement with a metropolitan county for solid waste or resource recovery purposes; defining terms; allocating and appropriating money from the metropolitan landfill contingency action and abatement funds; permitting Pennington county to dispose of certain property; permitting Itasca county to accept loans, advances, or grants from federal or state government; permitting certain counties to make joint contracts or agreements for solid waste management; providing for use of an appropriation for solid waste incineration equipment at the Fergus Falls State Hospital; amending Minnesota Statutes 1984, sections 115A.03, subdivision 27; 115A.84, subdivisions 3 and 4; 115A.919; 400.04, subdivision 1; 473.153, subdivisions 2, 5, 6b, and 7; 473.801, subdivision 1; 473.811, subdivisions 5 and 5a; 473.823, subdivision 6; 473.831; 473.840, subdivision 2; 473.842, by adding subdivisions; 473.843, subdivision 7; and 473.844, subdivisions 2 and 5; Laws 1984, chapter 644, section 81, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 115A, 116C, and 473.

Senate File No. 866 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

CONCURRENCE AND REPASSAGE

Mr. Merriam moved that the Senate concur in the amendments by the House to S.F. No. 866 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 866: A bill for an act relating to solid waste and sewage sludge management; restricting land disposal of solid waste in the metropolitan area; providing for the financing of resource recovery facilities in the metropolitan area by local governments and the metropolitan council; imposing restrictions on publicly funded resource recovery facilities; changing provisions relating to designation plans, local disposal fees, metropolitan sludge and sludge ash facilities, and metropolitan county plans and ordinances; defining terms; allocating and appropriating money from the metropolitan landfill contingency action and abatement funds; amending Minnesota Statutes 1984, sections 115A.03, subdivision 27, and by adding subdivisions; 115A.15, subdivision 2; 115A.81; 115A.84, subdivisions 3 and 4; 115A.86, subdivision 1; 115A.919; 116.07, subdivision 4h; 400.04, subdivision 1; 473.149, by adding a subdivision; 473.153, subdivisions 1, 2, 5, 6b, and 7; 473.803, subdivisions 1b and 3; 473.811, subdivisions 5, 5a, and by adding a subdivision; 473.823, subdivision 6; 473.831; 473.840, subdivision 2; 473.842, by adding subdivisions; 473.844, subdivisions 2 and 5; and Laws 1984, chapter 644, section 81, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapters 115A and 473; repealing Minnesota Statutes 1984, section 473.843, subdivision 7.

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

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

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

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Pehler	Solon
Anderson	Diessner	Kroening	Peterson, D.C.	Spear
Belanger	Dieterich	Kronebusch	Peterson, D.L.	Stumpf
Benson	Frederick	Lantry	Peterson, R.W.	Taylor
Berg	Frederickson	Lessard	Petty	Vega
Berglin	Freeman	Luther	Purfeerst	Waldorf
Bernhagen	Gustafson	McQuaid	Ramstad	Wegscheid
Bertram	Hughes	Mehrken	Reichgott	Willet
Brataas	Isackson	Merriam	Renneke	
Dahl	Johnson, D.E.	Nelson	Samuelson	
Davis	Jude	Olson	Schmitz	

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 916: A bill for an act relating to human services; authorizing the commissioner to establish a state advisory planning council; requiring counties to contract with nonprofit organizations; changing set aside project amounts; amending Minnesota Statutes 1984, sections 245.70, subdivision 1; 245.71; 245.711, subdivision 2; and 245.713, subdivision 2.

Senate File No. 916 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

CONCURRENCE AND REPASSAGE

Ms. Berglin moved that the Senate concur in the amendments by the House to S.F. No. 916 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 916: A bill for an act relating to human services; authorizing the commissioner to establish a state advisory planning council; requiring counties to contract with nonprofit organizations; changing set aside project amounts; revising procedures and requirements under the aid to families with dependent children, medical assistance, and general assistance programs; appropriating money; amending Minnesota Statutes 1984, sections 245.70, subdivision 1; 245.71; 245.711, subdivision 2; 245.713, subdivision 2; 256.12, subdivision 20; 256.73, subdivisions 2, 3a, and 6; 256.736, subdivisions 3 and 4; 256.74, subdivisions 1, 1a, and 2; 256.76, subdivision 1; 256.78; 256.79; 256.871, subdivision 3; 256.99; 256B.02, subdivisions 2 and 3; 256B.06, subdivision 1; 256B.07; 256B.17, subdivision 6; 256D.01,

subdivision 1a; and 256D.06, by adding a subdivision.

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

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

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	Mehrkens	Samuelson
Anderson	DeCramer	Jude	Merriam	Schmitz
Belanger	Diessner	Kamrath	Olson	Sieloff
Benson	Dieterich	Kroening	Peterson, D.C.	Spear
Berg	Frederick	Kronebusch	Peterson, D.L.	Storm
Berglin	Frederickson	Laidig	Peterson, R.W.	Stumpf
Bernhagen	Freeman	Lantry	Petty	Taylor
Bertram	Gustafson	Lessard	Purfeerst	Vega
Brataas	Hughes	Luther	Ramstad	Waldorf
Dahl	Isackson	McQuaid	Reichgott	Willet

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 1130: A bill for an act relating to occupations and professions; changing the composition of the board of medical examiners and the method of appointing board members; authorizing the release of certain information by the board of medical examiners; requiring the board of medical examiners to adopt a written statement describing its procedures, and publish disciplinary actions; revising the standards for licensing and disciplining physicians; establishing reporting requirements for health professionals and granting immunity to those complying with reporting requirements; establishing special requirements for health-related licensing boards; appropriating money; recodifying certain provisions in Minnesota Statutes, chapter 147; amending Minnesota Statutes 1984, sections 147.01, subdivisions 1, 2, and 4; 147.02, subdivision 1, and by adding subdivisions; 147.021; 147.03; 147.073; 147.074; 147.09; 147.10; 176.011, subdivision 9; 214.07, subdivision 1; and 214.10, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 147; repealing Minnesota Statutes 1984, sections 147.02, subdivision 2; 147.06; 147.07; 147.072; 147.101; 147.11; 147.12; 147.13; 147.16; 147.17; 147.18; 147.19; 147.20; and 147.23.

Senate File No. 1130 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

CONCURRENCE AND REPASSAGE

Mr. Waldorf moved that the Senate concur in the amendments by the

House to S.F. No. 1130 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1130: A bill for an act relating to occupations and professions; changing the composition of the board of medical examiners and the method of appointing board members; authorizing the release of certain information by the board of medical examiners; requiring the board of medical examiners to adopt a written statement describing its procedures, and publish disciplinary actions; revising the standards for licensing and disciplining physicians; establishing reporting requirements for health professionals and granting immunity to those complying with reporting requirements; establishing special requirements for health-related licensing boards; recodifying certain provisions in Minnesota Statutes, chapter 147; amending Minnesota Statutes 1984, sections 147.01, subdivisions 1, 2, and 4; 147.02, subdivision 1, and by adding subdivisions; 147.021; 147.03; 147.073; 147.074; 147.09; 147.10; 155A.08, subdivision 2; 176.011, subdivision 9; 214.07, subdivision 1; and 214.10, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 147; repealing Minnesota Statutes 1984, sections 147.02, subdivision 2; 147.06; 147.07; 147.072; 147.101; 147.11; 147.12; 147.13; 147.16; 147.17; 147.18; 147.19; 147.20; and 147.23.

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

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

The roll was called, and there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Peterson, D.L.	Storm
Anderson	Frederickson	Kronebusch	Peterson, R.W.	Stumpf
Belanger	Freeman	Laidig	Petty	Taylor
Berg	Gustafson	Lantry	Purfeerst	Vega
Bernhagen	Hughes	Lessard	Ramstad	Waldorf
Bertram	Isackson	Luther	Reichgott	Willet
Dahl	Johnson, D.E.	McQuaid	Samuelson	
Davis	Jude	Mehrkins	Schmitz	
DeCramer	Kamrath	Merriam	Sieloff	
Diessner	Knutson	Olson	Spear	

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 279: A bill for an act relating to natural resources; eliminating the mandatory shooting by conservation officers of dogs pursuing deer; restricting the shooting by others; increasing the penalty for owners of dogs that kill deer; amending Minnesota Statutes 1984, sections 100.29, subdivision 19; and 347.01.

Senate File No. 279 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

CONCURRENCE AND REPASSAGE

Mr. Merriam moved that the Senate concur in the amendments by the House to S.F. No. 279 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 279 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Olson	Spear
Anderson	Dieterich	Kroening	Pehler	Storm
Belanger	Frederick	Kronebusch	Peterson, D.L.	Stumpf
Berg	Frederickson	Lantry	Peterson, R.W.	Taylor
Bernhagen	Gustafson	Lessard	Petty	Vega
Bertram	Hughes	Luther	Purfeerst	Willet
Chmielewski	Isackson	McQuaid	Ramstad	
Dahl	Johnson, D.E.	Mehrkens	Reichgott	
Davis	Jude	Merriam	Schmitz	
DeCramer	Kamrath	Novak	Sieloff	

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 281: A bill for an act relating to criminal justice; clarifying the procedure for making certain claims against the state; providing limitations on the payment of claims; placing restrictions on places where work in restitution or community service may be performed; amending Minnesota Statutes 1984, sections 3.739, subdivisions 2 and 2a; and 609.135, subdivision 1.

Senate File No. 281 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

CONCURRENCE AND REPASSAGE

Mr. Petty moved that the Senate concur in the amendments by the House to S.F. No. 281 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 281: A bill for an act relating to criminal justice; clarifying the procedure for making certain claims against the state; permitting certain in-

dividuals to make claims against the state; providing limitations on the payment of claims; placing restrictions on places where work in restitution or community service may be performed; amending Minnesota Statutes 1984, sections 3.739, subdivisions 1, 2, and 2a; and 609.135, subdivision 1.

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

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

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Jude	Mehrkens	Reichgott
Anderson	Diessner	Kamrath	Novak	Schmitz
Belanger	Dieterich	Knaak	Olson	Sieloff
Benson	Frank	Knutson	Pehler	Spear
Berg	Frederick	Kroening	Peterson, D.L.	Storm
Bernhagen	Frederickson	Kronebusch	Peterson, R.W.	Stumpf
Bertram	Gustafson	Lantry	Petty	Taylor
Chmielewski	Hughes	Lessard	Pogemiller	Vega
Dahl	Isackson	Luther	Purfeerst	Waldorf
Davis	Johnson, D.E.	McQuaid	Ramstad	Willet

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 1045: A bill for an act relating to commerce; providing for the determination of certain usurious contracts; proposing coding for new law in Minnesota Statutes, chapter 334.

Senate File No. 1045 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

CONCURRENCE AND REPASSAGE

Mr. Kroening moved that the Senate concur in the amendments by the House to S.F. No. 1045 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1045 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 47 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knaak	Pehler	Spear
Anderson	Dieterich	Knutson	Peterson, D.C.	Storm
Belanger	Frank	Kroening	Peterson, R.W.	Stumpf
Benson	Frederickson	Kronebusch	Pogemiller	Taylor
Berg	Gustafson	Lantry	Purfeerst	Vega
Bernhagen	Hughes	Lessard	Ramstad	Waldorf
Bertram	Isackson	Luther	Reichgott	Willet
Chmielewski	Johnson, D.E.	McQuaid	Samuelson	
Davis	Jude	Mehrkens	Schmitz	
DeCramer	Kamrath	Olson	Sieloff	

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

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

Senate File No. 930 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

CONCURRENCE AND REPASSAGE

Mr. Purfeerst moved that the Senate concur in the amendments by the House to S.F. No. 930 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 930: A bill for an act relating to public safety; motor vehicles; clarifying penalties for failure to provide security for basic reparation benefits; defining terms; requiring certification procedure to obtain tax-exempt passenger vehicle license plates for unmarked vehicle of law enforcement agency; reducing 2,000-pound weight limitation to three-fourths ton for

motor vehicles in certain situations; exempting certain returned motor vehicle registration documents from filing fee; regulating format of certain license plates; increasing weight of vehicles which may be operated with class "C" driver's license; prescribing filing period for clerk of district court to forward drivers license applications and fees to department of public safety; requiring revocation of driver's license upon conviction of crime of fleeing from peace officer; expanding definition of misdemeanor for purpose of driver's license revocation; authorizing prima facie evidentiary status for certified department driver records; authorizing commissioner of public safety to promulgate school bus driver qualification rules; authorizing access to certain private vehicle tax information under certain conditions; prescribing fees; providing for a traffic accident reconstruction system; appropriating money; amending Minnesota Statutes 1984, sections 65B.67, subdivision 4; 168.011, subdivisions 4, 28, and 29; 168.012, subdivision 1, and by adding subdivisions; 168.013, subdivisions 1c, 1e, 1g, and 16; 168.021, subdivision 1; 168.09, by adding a subdivision; 168.27, subdivision 11; 168.29; 168.31, subdivision 4; 168.33, subdivision 7; 169.79; 171.02, subdivision 2; 171.06, subdivision 4; 171.17; 171.20, by adding a subdivision; 171.21; 171.321, subdivision 2; 297B.12; and Laws 1982, chapter 639, section 10; repealing Minnesota Statutes 1984, sections 168.013, subdivision 1i; and 168.105, subdivision 4.

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

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

The roll was called, and there were yeas 46 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Knutson	Pehler	Storm
Anderson	Frederickson	Kronebusch	Peterson, D.C.	Stumpf
Benson	Freeman	Laidig	Peterson, D.L.	Taylor
Berg	Gustafson	Lantry	Peterson, R.W.	Vega
Bernhagen	Hughes	Lessard	Pogemiller	Waldorf
Bertram	Isackson	Luther	Purfeerst	Willet
Chmielewski	Johnson, D.E.	McQuaid	Ramstad	
DeCramer	Jude	Mehrkens	Samuelson	
Diessner	Kamrath	Novak	Schmitz	
Dieterich	Knaak	Olson	Spear	

Mr. Davis voted in the negative.

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Pogemiller moved that the following members be excused for a Conference Committee on S.F. No. 33 from 6:00 to 6:30 p.m. and from 7:45 to 8:15 p.m.:

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

RECESS

Mr. Luther moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

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

S.F. No. 719: Messrs. Stumpf, Langseth and Belanger.

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

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. 440: Messrs. Moe, D.M.; Wegscheid; Pogemiller; Spear and Renneke.

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Nelson moved that the following members be excused for a Conference Committee on H.F. No. 849 from 6:30-10:00 p.m.:

Messrs. Nelson, Dahl, Petty, Merriam and Ms. Berglin. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 650 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 650

A bill for an act relating to crimes; increasing the penalty for an offense committed against a transit provider or operator when violence or a threat of violence is not involved; amending Minnesota Statutes 1984, section 609.855, subdivisions 3 and 4.

May 20, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 650, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 650 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 609.855, subdivision 4, is amended to read:

Subd. 4. [PENALTY.] Whoever violates subdivision 1, 2, or 3 may be sentenced as follows:

(a) To imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both, if the violation was accompanied by force or violence or a communication of a threat of force or violence; or

(b) To ~~the penalty imposed in section 169.89, subdivision 2~~ imprisonment for not more than 90 days or to payment of a fine of not more than \$700, or both, if the violation was not accompanied by force or violence or a communication of a threat of force or violence.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1985, and applies to crimes committed on or after that date."

Amend the title as follows:

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

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

Senate Conferees: (Signed) Lawrence J. Pogemiller, Fritz Knaak, William P. Luther

House Conferees: (Signed) Don Valento, Gary L. Schafer, Marcus Marsh

Mr. Pogemiller moved that the foregoing recommendations and Conference Committee Report on S.F. No. 650 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 650 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 46 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Kroening	Peterson, D.L.	Storm
Anderson	Frederick	Kronebusch	Peterson, R.W.	Stumpf
Benson	Frederickson	Lantry	Pogemiller	Taylor
Berg	Freeman	Luther	Purfeerst	Vega
Bernhagen	Gustafson	McQuaid	Ramstad	Waldorf
Bertram	Hughes	Mehrkens	Reichgott	Willet
Davis	Isackson	Novak	Samuelson	
DeCramer	Jude	Olson	Schmitz	
Diessner	Kamrath	Pehler	Sieloff	
Dieterich	Knaak	Peterson, D.C.	Spear	

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 196 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 196

A bill for an act relating to crimes; requiring the county attorney to prosecute failure to report child abuse or neglect; providing for the reporting of

child abuse or neglect; defining certain terms; clarifying immunity from liability for reporting child abuse or neglect; providing for concise summaries of disposition of reports; making technical changes; prescribing penalties; amending Minnesota Statutes 1984, sections 388.051, subdivision 2; and 626.556, subdivisions 1, 2, 3, 4, 4a, 5, 6, 9, and 11.

May 20, 1985

The Honorable Jerome M. Hughes

President of the Senate

The Honorable David M. Jennings

Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 196, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 196 be further amended as follows:

Delete everything after the enacting clause and insert:

*Section 1. Minnesota Statutes 1984, section 388.051, subdivision 2, is amended to read:

Subd. 2. [~~SPECIAL PROVISION; GROSS MISDEMEANORS PROVISIONS.~~] (a) In Anoka, Carver, Dakota, Hennepin, Scott, and Washington counties, only the county attorney shall prosecute gross misdemeanor violations of sections 290.53, subdivisions 4 and 8; 290.92, subdivision 15; 290A.11, subdivision 2; 297A.08; 297A.39, subdivisions 4 and 8; 297B.10; 609.255, subdivision 3; 609.377; 609.378; 609.41; and 617.247.

(b) *The county attorney shall prosecute failure to report physical or sexual child abuse or neglect as provided under section 626.556, subdivision 6.*

Sec. 2. Minnesota Statutes 1984, section 518.552, is amended to read:

518.552 [MAINTENANCE.]

Subdivision 1. In a proceeding for dissolution of marriage or legal separation, or in a proceeding for maintenance following dissolution of the marriage by a court which lacked personal jurisdiction over the absent spouse and which has since acquired jurisdiction, the court may grant a maintenance order for either spouse if it finds that the spouse seeking maintenance:

(a) Lacks sufficient property, including marital property apportioned to ~~him~~ *the spouse*, to provide for ~~his~~ *reasonable needs of the spouse considering the standard of living established during the marriage*, especially ~~during~~, but not limited to, a period of training or education, ~~and or~~

(b) Is unable to ~~adequately support himself~~ *provide adequate self-support*, after considering *the standard of living established during the marriage* and all relevant circumstances, through appropriate employment, or is the custodian of a child whose condition or circumstances make it appropriate that the custodian not be required to seek employment outside the home.

Subd. 2. The maintenance order shall be in amounts and for periods of time, either temporary or permanent, as the court deems just, without regard to marital misconduct, and after considering all relevant factors including:

(a) The financial resources of the party seeking maintenance, including marital property apportioned to ~~him~~ *the party*, and ~~his~~ *the party's* ability to meet his or her needs independently, including the extent to which a provision for support of a child living with the party includes a sum for that party as custodian;

(b) The time necessary to acquire sufficient education or training to enable the party seeking maintenance to find appropriate employment, and the probability, given the ~~spouse's~~ *party's* age and skills, of completing education or training and becoming fully or partially self-supporting;

(c) The standard of living established during the marriage;

(d) The duration of the marriage and, in the case of a homemaker, the length of absence from employment and the extent to which any education, skills, or experience have become outmoded and earning capacity has become permanently diminished;

(e) *The loss of earnings, seniority, retirement benefits, and other employment opportunities foregone by the spouse seeking spousal maintenance;*

(f) The age, and the physical and emotional condition of the spouse seeking maintenance;

~~(f)~~ (g) The ability of the spouse from whom maintenance is sought to meet his needs while meeting those of the spouse seeking maintenance; and

~~(g)~~ (h) The contribution of each party in the acquisition, preservation, depreciation, or appreciation in the amount or value of the marital property, as well as the contribution of a spouse as a homemaker or in furtherance of the other party's employment or business.

Subd. 3. Nothing in this section shall be construed to favor a temporary award of maintenance over a permanent award, where the factors under subdivision 2 justify a permanent award.

Where there is some uncertainty as to the necessity of a permanent award, the court shall order a permanent award leaving its order open for later modification.

Sec. 3. Minnesota Statutes 1984, section 518.64, subdivision 2, is amended to read:

Subd. 2. [MODIFICATION.] The terms of a decree respecting maintenance or support may be modified upon a showing of one or more of the following: (1) substantially increased or decreased earnings of a party; (2) substantially increased or decreased need of a party; (3) receipt of assistance under sections 256.72 to 256.87; or (4) a change in the cost-of-living for either party as measured by the federal bureau of statistics, any of which makes the terms unreasonable and unfair. *On a motion for modification of maintenance, the court shall apply, in addition to all other relevant factors, the factors for an award of maintenance under section 518.552 that exist at the time of the motion.* On a motion for modification of support, the court shall take into consideration the needs of the children and the financial circumstances of each party's spouse, if any. A modification which decreases support or maintenance may be made retroactive only upon a showing that any failure to pay in accord with the terms of the original order was not

willful. A modification which increases support or maintenance shall not be made retroactive if the obligor has substantially complied with the previous order. Except for an award of the right of occupancy of the homestead, provided in section 518.63, all divisions of real and personal property provided by section 518.58 shall be final, and may be revoked or modified only where the court finds the existence of conditions that justify reopening a judgment under the laws of this state. The court may impose a lien or charge on the divided property at any time while the property, or subsequently acquired property, is owned by the parties or either of them, for the payment of maintenance or support money, or may sequester the property as is provided by section 518.24.

Sec. 4. Minnesota Statutes 1984, section 609.379, is amended to read:

609.379 [PERMITTED ACTIONS.]

Subdivision 1. [REASONABLE FORCE.] Reasonable force may be used upon or toward the person of a child without the child's consent when the following circumstance exists or the actor reasonably believes it to exist:

(a) When used by a parent, legal guardian, teacher, or other caretaker of a child or pupil, in the exercise of lawful authority, to restrain or correct the child or pupil; or

(b) *When used by a teacher or other member of the instructional, support, or supervisory staff of a public or nonpublic school upon or toward a child when necessary to restrain the child from hurting himself or any other person or property.*

Subd. 2. [APPLICABILITY.] This section applies to sections 260.315, 609.255, 609.376, 609.377, 609.378, and 626.556; ~~subdivision 12.~~

Sec. 5. Minnesota Statutes 1984, section 626.556, subdivision 1, is amended to read:

Subdivision 1. [PUBLIC POLICY.] The legislature hereby declares that the public policy of this state is to protect children whose health or welfare may be jeopardized through physical abuse, neglect or sexual abuse; to strengthen the family and make the home, school, and community safe for children by promoting responsible child care in all settings; and to provide, when necessary, a safe temporary or permanent home environment for physically or sexually abused children.

In addition, it is the policy of this state to require the reporting of suspected neglect, physical or sexual abuse of children in the home, school, and community settings; to provide for the voluntary reporting of abuse or neglect of children; to require the assessment and investigation of the reports; and to provide protective and counseling services in appropriate cases.

Sec. 6. Minnesota Statutes 1984, section 626.556, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Sexual abuse" means the subjection by a person responsible for the child's care, or by a person in a position of authority, as defined in section

609.341, subdivision 10, to any act which constitutes a violation of sections 609.342, 609.343, 609.344, or 609.345, or sections 609.364 to 609.3644. Sexual abuse also includes any act which involves a minor which constitutes a violation of sections 609.321 to 609.324 or 617.246.

(b) "Person responsible for the child's care" means *a (1) an individual functioning within the family unit and having responsibilities for the care of the child such as a parent, guardian, or other person having similar care responsibilities, or (2) an individual functioning outside the family unit and having responsibilities for the care of the child such as a teacher, school administrator, or other lawful custodian of a child having either full-time or short-term care responsibilities including, but not limited to, day care, baby sitting whether paid or unpaid, counseling, teaching, and coaching.*

(c) "Neglect" means failure by a person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so or failure to protect a child from conditions or actions which imminently and seriously endanger the child's physical or mental health when reasonably able to do so. Nothing in this section shall be construed to (1) mean that a child is neglected solely because the child's parent, guardian or other person responsible for his care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child, or (2) impose upon persons, not otherwise legally responsible for providing a child with necessary food, clothing, shelter or medical care, a duty to provide that care.

(d) "Physical abuse" means: *(1) any physical injury inflicted by a person responsible for the child's care on a child other than by accidental means; or (2) any physical injury that cannot reasonably be explained by the child's history of injuries.*

(e) "Report" means any report received by the local welfare agency, police department or county sheriff pursuant to this section.

(f) "Facility" means a day care facility, residential facility, agency, hospital, sanatorium, or other facility or institution required to be licensed pursuant to sections 144.50 to 144.58, 241.021, or 245.781 to 245.812.

(g) "Operator" means an operator or agency as defined in section 245.782.

(h) "Commissioner" means the commissioner of human services.

(i) "Assessment" includes authority to interview the child, the person or persons responsible for the child's care, the alleged perpetrator, and any other person with knowledge of the abuse or neglect for the purpose of gathering the facts, assessing the risk to the child, and formulating a plan.

(j) "*Practice of social services,*" for the purposes of subdivision 3, includes but is not limited to employee assistance counseling.

Sec. 7. Minnesota Statutes 1984, section 626.556, subdivision 3, is amended to read:

Subd. 3. [PERSONS MANDATED TO REPORT.] (a) A professional or his delegate who is engaged in the practice of the healing arts, social services, hospital administration, psychological or psychiatric treatment, child

care, education, or law enforcement who ~~has knowledge of or reasonable cause knows or has reason to believe~~ a child is being neglected or physically or sexually abused shall immediately report the information to the local welfare agency, police department or the county sheriff. The police department or the county sheriff, upon receiving a report, shall immediately notify the local welfare agency orally and in writing. The local welfare agency, upon receiving a report, shall immediately notify the local police department or the county sheriff orally and in writing. ~~The county sheriff and the head of every local welfare agency and police department shall each designate a person within their agency, department, or office who is responsible for ensuring that the notification duties of this paragraph and paragraph (b) are carried out.~~ Nothing in this subdivision shall be construed to require more than one report from any institution, facility, school or agency.

(b) Any person ~~not required to report under the provisions of this subdivision~~ may voluntarily report to the local welfare agency, police department or the county sheriff if he ~~has knowledge of or reasonable cause to believe knows, has reason to believe, or suspects~~ a child is being neglected or subjected to physical or sexual abuse. The police department or the county sheriff, upon receiving a report, shall immediately notify the local welfare agency orally and in writing. ~~The local welfare agency, upon receiving a report, shall immediately notify the local police department or the county sheriff orally and in writing.~~

(c) A person mandated to report ~~suspected~~ physical or sexual child abuse or neglect occurring within a licensed facility shall report the information to the agency responsible for licensing the facility. A health or corrections agency receiving a report may request the local welfare agency to provide assistance pursuant to subdivisions 10, 10a, and 10b.

(d) Any person ~~who makes a mandated to report~~ shall, upon request to the local welfare agency, receive a ~~concise~~ summary of the disposition of ~~the any~~ report made by that reporter, unless release would be detrimental to the best interests of the child. ~~Any person who is not mandated to report shall, upon request to the local welfare agency, receive a concise summary of the disposition of any report made by that reporter, unless release would be detrimental to the best interests of the child.~~

(e) For purposes of this subdivision, "immediately" means as soon as possible but in no event longer than 24 hours.

Sec. 8. Minnesota Statutes 1984, section 626.556, subdivision 4, is amended to read:

Subd. 4. [IMMUNITY FROM LIABILITY.] (a) *The following persons are immune from any civil or criminal liability that otherwise might result from their actions, if they are acting in good faith:*

(a) (1) any person, including those voluntarily making reports and those required to make reports under subdivision 3, participating in good faith and exercising due care in the making of a voluntary or mandated report under subdivision 3 or assisting in an assessment pursuant to under this section has immunity from any liability, civil or criminal, that otherwise might result by reason of his action:

(b) a supervisor or social worker employed by a local welfare agency, who

in good faith exercises due care when complying with subdivisions 10 and 11 or any related rule or provision of law, shall have immunity from any civil liability that otherwise might result by reason of his action; and

(2) any public or private school, facility as defined in subdivision 2, or the employee of any public or private school or facility who permits access by a local welfare agency or local law enforcement agency and assists in good faith in an investigation or assessment pursuant to subdivision 10 has immunity from any liability, civil or criminal, that otherwise might result by reason of that action.

(b) A person who is a supervisor or social worker employed by a local welfare agency complying with subdivisions 10 and 11 or any related rule or provision of law is immune from any civil or criminal liability that might otherwise result from the person's actions, if the person is acting in good faith and exercising due care.

(c) This subdivision does not provide immunity to any person for failure to make a required report or for committing neglect, physical abuse, or sexual abuse of a child.

Sec. 9. Minnesota Statutes 1984, section 626.556, subdivision 4a, is amended to read:

Subd. 4a. [RETALIATION PROHIBITED.] (a) An employer of any person required to make reports under subdivision 3 shall not retaliate against the person for reporting in good faith suspected abuse or neglect pursuant to this section, or against a child with respect to whom a report is made, because of the report.

(b) The employer of any person required to report under subdivision 3 who retaliates against the person because of a report of suspected abuse or neglect is liable to that person for actual damages and, in addition, a penalty up to \$1,000.

(c) There shall be a rebuttable presumption that any adverse action within 90 days of a report is retaliatory. For purposes of this paragraph, the term "adverse action" refers to action taken by an employer of a person required to report under subdivision 3 which is involved in a report against the person making the report or the child with respect to whom the report was made because of the report, and includes, but is not limited to:

(1) discharge, suspension, termination, or transfer from the facility, institution, school, or agency;

(2) discharge from or termination of employment;

(3) demotion or reduction in remuneration for services; or

(4) restriction or prohibition of access to the facility, institution, school, agency, or persons affiliated with it.

Sec. 10. Minnesota Statutes 1984, section 626.556, subdivision 5, is amended to read:

Subd. 5. [FALSIFIED REPORTS.] Any person who willfully knowingly or recklessly makes a false report under the provisions of this section shall be liable in a civil suit for any actual damages suffered by the person or persons

so reported and for any punitive damages set by the court or jury.

Sec. 11. Minnesota Statutes 1984, section 626.556, subdivision 6, is amended to read:

Subd. 6. [FAILURE TO REPORT.] ~~Any~~ A person ~~required~~ mandated by this section to report ~~suspected physical or sexual child abuse or neglect who willfully fails to do so shall be~~ who knows or has reason to believe that a child is neglected or physically or sexually abused, as defined in subdivision 2, and fails to report is guilty of a misdemeanor.

Sec. 12. Minnesota Statutes 1984, section 626.556, is amended by adding a subdivision to read:

Subd. 6a. [FAILURE TO NOTIFY.] *If a local welfare agency receives a report under subdivision 3, paragraph (a) or (b) and fails to notify the local police department or county sheriff as required by subdivision 3, paragraph (a) or (b), the person within the agency who is responsible for ensuring that notification is made shall be subject to disciplinary action in keeping with the agency's existing policy or collective bargaining agreement on discipline of employees. If a local police department or a county sheriff receives a report under subdivision 3, paragraph (a) or (b) and fails to notify the local welfare agency as required by subdivision 3, paragraph (a) or (b), the person within the police department or county sheriff's office who is responsible for ensuring that notification is made shall be subject to disciplinary action in keeping with the agency's existing policy or collective bargaining agreement on discipline of employees.*

Sec. 13. Minnesota Statutes 1984, section 626.556, subdivision 9, is amended to read:

Subd. 9. [MANDATORY REPORTING TO A MEDICAL EXAMINER OR CORONER.] When a person required to report under the provisions of subdivision 3 ~~has reasonable cause~~ knows or has reason to believe a child has died as a result of neglect or physical or sexual abuse, he shall report that information to the appropriate medical examiner or coroner instead of the local welfare agency, police department or county sheriff. Medical examiners or coroners shall notify the local welfare agency or police department or county sheriff in instances in which they believe that the child has died as a result of neglect or physical or sexual abuse. The medical examiner or coroner shall complete an investigation as soon as feasible and report the findings to the police department or county sheriff and the local welfare agency.

Sec. 14. Minnesota Statutes 1984, section 626.556, subdivision 10, is amended to read:

Subd. 10. [DUTIES OF LOCAL WELFARE AGENCY AND LOCAL LAW ENFORCEMENT AGENCY UPON RECEIPT OF A REPORT.] (a) If the report alleges neglect, physical abuse, or sexual abuse by a parent, guardian, or individual functioning within the family unit as a person responsible for the child's care, the local welfare agency shall immediately conduct an assessment and offer protective social services for purposes of preventing further abuses, safeguarding and enhancing the welfare of the abused or neglected minor, and preserving family life whenever possible. When necessary the local welfare agency shall seek authority to remove the

child from the custody of his parent, guardian or adult with whom he is living. In performing any of these duties, the local welfare agency shall maintain appropriate records.

(b) Authority of the local welfare agency responsible for assessing the child abuse report and of the local law enforcement agency *for investigating the alleged abuse* includes, but is not limited to, authority to interview, without parental consent, the alleged victim and any other minors who currently reside with or who have resided with the alleged perpetrator. The interview may take place at school or at any facility or other place where the alleged victim or other minors might be found and may take place outside the presence of the perpetrator or parent, legal custodian, guardian, or school official. Except as provided in this clause, the parent, legal custodian, or guardian shall be notified ~~by the responsible local welfare or law enforcement agency~~ no later than the conclusion of the investigation or assessment, that this interview has occurred. Notwithstanding rule 49.02 of the Minnesota Rules of Procedure for Juvenile Courts, the juvenile court may, after hearing on an ex parte motion by the local welfare agency, order that, where reasonable cause exists, *the agency withhold notification of this interview be withheld* from the parent, legal custodian, or guardian. *If the interview took place or is to take place on school property, the order shall specify that school officials may not disclose to the parent, legal custodian, or guardian the contents of the notification of intent to interview the child on school property, as provided under paragraph (c), and any other related information regarding the interview that may be a part of the child's school record. A copy of the order shall be sent by the local welfare or law enforcement agency to the appropriate school official.*

(c) When the local welfare or local law enforcement agency determines that an interview should take place on school property, written notification of intent to interview the child on school property must be received by school officials prior to the interview. The notification shall include the name of the child to be interviewed, the purpose of the interview, and a reference to the statutory authority to conduct an interview on school property. For interviews conducted by the local welfare agency, the notification shall be signed by the chairman of the county welfare board or his designee. *The notification shall be private data on individuals subject to the provisions of this paragraph. School officials may not disclose to the parent, legal custodian, or guardian the contents of the notification or any other related information regarding the interview until notified in writing by the local welfare or law enforcement agency that the investigation or assessment has been concluded. Until that time, the local welfare or law enforcement agency shall be solely responsible for any disclosures regarding the nature of the assessment or investigation.*

Except where the alleged perpetrator is believed to be a school official or employee, the time and place, and manner of the interview on school premises shall be within the discretion of school officials, but the local welfare agency, or the local law enforcement agency shall have the exclusive authority to determine who may attend the interview. The conditions as to time, place, and manner of the interview set by the school officials shall be reasonable and the interview shall be conducted not more than 24 hours after the receipt of the notification unless another time is deemed considered necessary by agreement between the school officials and the local welfare agency

or local law enforcement agency. Where the school fails to comply with the provisions of this section ~~paragraph~~, the juvenile court may order the school to comply with this provision. School officials shall not disclose to the parent, legal custodian, guardian, or perpetrator that a request to interview the child has been made until after the investigation or assessment has been concluded. Every effort shall must be made to reduce the disruption of the educational program of the child, other students, or school staff when an interview is conducted on school premises.

(d) Where the perpetrator or a person responsible for the care of the alleged victim or other minor prevents access to the victim or other minor by the local welfare agency, the juvenile court may order the parents, legal custodian, or guardian to produce the alleged victim or other minor for questioning by the local welfare agency or the local law enforcement agency outside the presence of the perpetrator or any person responsible for the child's care at reasonable places and times as specified by court order.

(e) Before making an order under paragraph (d), the court shall issue an order to show cause, either upon its own motion or upon a verified petition, specifying the basis for the requested interviews and fixing the time and place of the hearing. The order to show cause shall be served personally and shall be heard in the same manner as provided in other cases in the juvenile court. The court shall consider the need for appointment of a guardian ad litem to protect the best interests of the child. If a guardian ad litem is appointed, he shall be present at the hearing on the order to show cause.

(f) The commissioner, the local welfare agencies responsible for investigating reports, and the local law enforcement agencies have the right to enter facilities as defined in subdivision 2 and to inspect and copy the facility's records as part of the investigation. Notwithstanding the provisions of chapter 13, they also have the right to inform the facility under investigation that they are conducting an investigation, to disclose to the facility the names of the individuals under investigation for abusing or neglecting a child, and to provide the facility with a copy of the report and the investigative findings.

Sec. 15. Minnesota Statutes 1984, section 626.556, subdivision 11, is amended to read:

Subd. 11. [RECORDS.] All records maintained by a local welfare agency under this section, including any written reports filed under subdivision 7, shall be private data on individuals, except insofar as copies of reports are required by subdivision 7 to be sent to the local police department or the county sheriff. Report records maintained by any police department or the county sheriff shall be private data on individuals except the reports shall be made available to the investigating, petitioning, or prosecuting authority. The welfare board shall make available to the investigating, petitioning, or prosecuting authority any records which contain information relating to a specific incident of neglect or abuse which is under investigation, petition, or prosecution and information relating to any prior incidents of neglect or abuse involving any of the same persons. The records shall be collected and maintained in accordance with the provisions of chapter 13. An individual subject of a record shall have access to the record in accordance with those sections, except that the name of the reporter shall be confidential while the report is under assessment or investigation *except as otherwise permitted by*

this subdivision. Any person conducting an investigation or assessment under this section who intentionally discloses the identity of a reporter prior to the completion of the investigation or assessment is guilty of a misdemeanor. After the assessment or investigation is completed, the name of the reporter shall be confidential but shall be accessible to the individual subject of the record upon court order.

Notwithstanding section 138.17, records maintained by local welfare agencies, the police department or county sheriff under this section shall be destroyed as described in clauses (a) to (e) (d):

(a) If upon assessment or investigation a report is found to be unsubstantiated, notice of intent to destroy records of the report shall be mailed to the individual subject of the report. At the subject's request the records shall be maintained as private data. If no request from the subject is received within 30 days of mailing the notice of intent to destroy, the records shall be destroyed.

(b) All records relating to reports which, upon assessment or investigation, are found to be substantiated shall be destroyed seven years after the date of the final entry in the case record.

(c) All records of reports which, upon initial assessment or investigation, cannot be substantiated or disproved to the satisfaction of the local welfare agency, local police department or county sheriff may be kept for a period of one year. If the local welfare agency, local police department or county sheriff is unable to substantiate the report within that period, each agency unable to substantiate the report shall destroy its records relating to the report in the manner provided by clause (a).

(d) Any notification of intent to interview which was received by a school under subdivision 10, paragraph (c), shall be destroyed by the school when ordered to do so by the agency conducting the assessment or investigation. The agency shall order the destruction of the notification when other records relating to the report under investigation or assessment are destroyed under this subdivision."

Delete the title and insert:

"A bill for an act relating to children and families; requiring the county attorney to prosecute failure to report child abuse or neglect; clarifying factors to consider in awarding maintenance in marriage dissolution actions; providing for the reporting of child abuse or neglect; defining certain terms; clarifying immunity from liability for reporting child abuse or neglect; providing for concise summaries of disposition of reports; clarifying requirements following reports of child abuse or neglect; making technical changes; prescribing penalties; amending Minnesota Statutes 1984, sections 388.051, subdivision 2; 518.552; 518.64, subdivision 2; 609.379; and 626.556, subdivisions 1, 2, 3, 4, 4a, 5, 6, 9, 10, 11, and by adding a subdivision."

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

Senate Conferees: (Signed) Ember D. Reichgott, Lawrence J. Pogemiller, Fritz Knaak

House Conferees: (Signed) Connie Levi, Kathleen A. Blatz, Lee Greenfield

Ms. Reichgott moved that the foregoing recommendations and Conference Committee Report on S.F. No. 196 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 196 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 44 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Johnson, D.E.	Olson	Schmitz
Anderson	Dieterich	Jude	Pehler	Spear
Benson	Frank	Kamrath	Peterson, D.C.	Storm
Berg	Frederick	Knaak	Peterson, D.L.	Stumpf
Bernhagen	Frederickson	Kronebusch	Peterson, R.W.	Taylor
Bertram	Freeman	Lessard	Pogemiller	Vega
Chmielewski	Gustafson	Luther	Ramstad	Waldorf
Davis	Hughes	McQuaid	Reichgott	Willet
DeCramer	Isackson	Mehrkens	Samuelson	

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 35 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 35

A bill for an act relating to crimes; requiring health professionals to report suspicious wounds to law enforcement authorities; amending Minnesota Statutes 1984, section 626.52.

May 18, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 35, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 35 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 626.52, is amended to read:

626.52 [PHYSICIANS AND OTHER AIDS TO HEALING TO REPORT
INJURIES FROM FIREARMS REPORTING OF SUSPICIOUS WOUNDS
BY HEALTH PROFESSIONALS.]

Subdivision 1. [DEFINITION.] As used in subdivision 2, "health professional" means a physician, surgeon, person authorized to engage in the practice of healing, superintendent or manager of a hospital, nurse, or pharmacist.

Subd. 2. [HEALTH PROFESSIONALS REQUIRED TO REPORT.] Every physician, every surgeon, every person authorized to engage in the practice of healing, every superintendent or manager of a hospital, every nurse and every pharmacist, whether such physicians, surgeons, persons engaged in the practice of healing, superintendent or manager of any hospital, nurse and pharmacist be licensed or not, A health professional shall immediately report, as provided under section 626.53, to the proper local police authorities, as herein defined, department or county sheriff all bullet wounds, gunshot wounds, powder burns, or any other injury arising from, or caused by the discharge of any gun, pistol, or any other firearm, which wound he is called upon to treat, dress, or bandage.

A health professional shall report to the proper police authorities any wound that the reporter has reasonable cause to believe has been inflicted on a perpetrator of a crime by a dangerous weapon other than a firearm as defined under section 609.02, subdivision 6.

Sec. 2. Minnesota Statutes 1984, section 626.55, is amended to read:

626.55 [PENALTY.]

Subdivision 1. Any person who violates any provision of sections 626.52 to 626.55 is guilty of a gross misdemeanor.

Subd. 2. Any person reporting in good faith and exercising due care shall have immunity from any liability, civil or criminal, that otherwise might result by reason of his actions pursuant to this section. No cause of action may be brought against any person for not making a report pursuant to this section."

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, before the period, insert "; and 626.55"

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

Senate Conferees: (Signed) A. W. "Bill" Diessner, Randolph W. Peterson, Gene Merriam

House Conferees: (Signed) Tony Bennett, Dennis Ozment, Peter Rodosovich

Mr. Diessner moved that the foregoing recommendations and Conference Committee Report on S.F. No. 35 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 35 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 42 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Jude	Pehler	Spear
Anderson	Dieterich	Kamrath	Peterson, D.C.	Storm
Benson	Frank	Knaak	Peterson, D.L.	Taylor
Berg	Frederick	Kroening	Peterson, R.W.	Vega
Bernhagen	Frederickson	Kronebusch	Pogemiller	Waldorf
Bertram	Freeman	Luther	Ramstad	Willet
Chmielewski	Gustafson	McQuaid	Reichgott	
Davis	Hughes	Mehrkens	Samuelson	
DeCramer	Johnson, D.E.	Olson	Schmitz	

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

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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 558, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 558 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

CONFERENCE COMMITTEE REPORT ON 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 Minnesota Statutes 1984, sections 473.556, subdivision 6; and 473.704, by adding a subdivision.

May 15, 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. 558, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 558 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [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.

Sec. 2. Minnesota Statutes 1984, section 473.556, subdivision 6, is amended to read:

Subd. 6. [DISPOSITION OF PROPERTY.] (a) The commission may sell or otherwise dispose of any real or personal property acquired by it which is no longer required for accomplishment of its purposes. The property shall be sold in the manner provided by section 458.196, insofar as practical and consistent with sections 473.551 to 473.595.

(b) Real property at the metropolitan sports area (not including the indoor public assembly facility and adjacent parking facilities) which is no longer needed for sports facilities ~~shall~~ may be sold or leased for residential, commercial, or industrial development in accordance with the procedures in section 458.196 within two years to a private, for-profit entity, and thereafter the

property shall be subject to all applicable taxes and assessments and all government laws, regulations and ordinances bearing on use and development as if the property were privately owned.

(c) Any real property right, title, or interest within the provisions of paragraph (b) owned by the commission may be sold or leased in whole or in part to the port authority of the city of Bloomington to further the general plan of port improvement or industrial development or for any other purpose which the authority considers to be in the best interests of the district and its people. The property shall be sold or leased to the authority in accordance with section 458.196, subdivisions 1 to 4. Section 458.196, subdivisions 5 to 7 shall not apply to a sale under this paragraph.

(d) Real property disposed of under clause (c) shall be subject to leases, agreements, or other written interests in force on June 1, 1983.

(e) The proceeds from the sale of any real property at the metropolitan sports area shall be paid to the council and used for debt service or retirement.

Sec. 3. Minnesota Statutes 1984, section 473.704, is amended by adding a subdivision to read:

Subd. 18. The commission may establish a research program to evaluate the effects of mosquito and blackfly control on other fauna. The purpose of the program is to identify the types and magnitude of the adverse effects of the control program on fish and wildlife and associated food chain invertebrates. The commission may conduct research through contracts with qualified outside researchers. The commission may finance the research program each year at a level up to 2.5 percent of its annual budget.

Sec. 4. [APPLICATION.]

Sections 2 and 3 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 5. [LOCAL APPROVAL.]

Section 1 takes effect the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Bloomington."

Delete the title and insert:

"A bill for an act relating to metropolitan government; permitting the city of Bloomington and the transportation department to contract for a highway improvement; 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 Minnesota Statutes 1984, sections 473.556, subdivision 6; and 473.704, by adding a subdivision."

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

House Conferees: (Signed) Kathleen Blatz, Dennis Ozment, Dee Long

Senate Conferees: (Signed) Michael O. Freeman, Robert J. Schmitz, William V. Belanger, Jr.

Mr. Freeman moved that the foregoing recommendations and Conference

Committee Report on H.F. No. 558 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. 558 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 44 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Isackson	Luther	Schmitz
Anderson	Diessner	Johnson, D.E.	McQuaid	Sieloff
Belanger	Dieterich	Jude	Mehrkens	Spear
Benson	Frank	Kamrath	Olson	Stumpf
Bernhagen	Frederick	Knaak	Peterson, D.C.	Taylor
Bertram	Frederickson	Knutson	Peterson, D.L.	Vega
Chmielewski	Freeman	Kroening	Ramstad	Waldorf
Dahl	Gustafson	Kronebusch	Reichgott	Willet
Davis	Hughes	Lessard	Samuelson	

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

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

MESSAGES FROM THE HOUSE - CONTINUED

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. 1037, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1037 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

CONFERENCE COMMITTEE REPORT ON 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.

May 17, 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. 1037, 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) Chris Tjornhom, Elton R. Redalen, Joel Jacobs

Senate Conferees: (Signed) Conrad M. Vega, Donald M. Moe, Dennis R. Frederickson

Mr. Vega moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1037 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. 1037 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 39 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Jude	Olson	Solon
Anderson	Frank	Kamrath	Peterson, D.C.	Spear
Belanger	Frederick	Kroening	Peterson, D.L.	Stumpf
Benson	Frederickson	Kronebusch	Peterson, R.W.	Taylor
Bernhagen	Freeman	Lessard	Ramstad	Vega
Bertram	Gustafson	Luther	Reichgott	Waldorf
Dahl	Isackson	McQuaid	Samuelson	Willet
Davis	Johnson, D.E.	Mehrkins	Schmitz	

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

MESSAGES FROM THE HOUSE - CONTINUED

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. 535, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 535 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

CONFERENCE COMMITTEE REPORT ON H.F. NO. 535

A bill for an act relating to health; restricting the use of lead in pipes, solders, and flux; requiring schools to flush certain pipes; amending Minnesota Statutes 1984, section 123.36, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 326.

May 8, 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. 535, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 535 be further amended as follows:

Page 2, line 1, after "conveys" insert "a" and before the period insert "supply"

Page 2, line 1, after the period insert "A Minnesota seller of lead solder, except for a seller whose primary business is contracting in plumbing, heating, and air conditioning, shall not sell any solder containing 0.2 percent lead unless the seller displays a sign which states,

"Contains Lead

Minnesota law prohibits the use of this solder in any plumbing installation which is connected to a potable water supply."

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

House Conferees: (Signed) Tim Sherman, Kathleen Vellenga, Dale A. Clausnitzer

Senate Conferees: (Signed) Betty A. Adkins, Eric D. Petty, Duane D. Benson

Mrs. Adkins moved that the foregoing recommendations and Conference Committee Report on H.F. No. 535 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. 535 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 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Jude	Novak	Samuelson
Anderson	Dieterich	Kamrath	Olson	Schmitz
Benson	Frank	Kroening	Pehler	Sieloff
Berg	Frederickson	Kronebusch	Peterson, C.C.	Solon
Bernhagen	Freeman	Langseth	Peterson, D.C.	Vega
Bertram	Hughes	Lessard	Peterson, R.W.	Waldorf
Chmielewski	Isackson	Luther	Pogemiller	Willet
Davis	Johnson, D.E.	McQuaid	Purfeerst	
DeCramer	Johnson, D.J.	Mehrkens	Reichgott	

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommen-

ation and report of the Conference Committee on House File No. 848, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 848 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

CONFERENCE COMMITTEE REPORT ON H.F. NO. 848

A bill for an act relating to children and families; providing judicial procedures to protect the welfare of alleged child abuse victims; requiring juvenile and criminal courts to give docket priority to child abuse cases; providing certain protections for parents in juvenile court proceedings; clarifying the scope and effect of juvenile court orders; changing the crimes of "intrafamilial sexual abuse" to "criminal sexual abuse" and limiting the discretion of courts to stay sentences for these crimes; requiring that investigative interviews with child abuse victims be tape-recorded; providing a training program for child protection workers and requiring a new job classification in child protection; amending Minnesota Statutes 1984, sections 260.011, subdivision 2; 260.133, subdivision 2; 260.135, subdivision 1; 260.155, by adding a subdivision; 260.156; 260.171, subdivision 4; 260.172, subdivision 4, and by adding subdivisions; 260.191, subdivision 1, and by adding subdivisions; 260.301; 595.02, subdivision 3; 609.364 to 609.3644; and 630.36; proposing coding for new law in Minnesota Statutes, chapters 626 and 631.

May 17, 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. 848, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 848 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 260.011, subdivision 2, is amended to read:

Subd. 2. The purpose of the laws relating to juvenile courts is to secure for each child alleged or adjudicated neglected or dependent and under the jurisdiction of the court, the care and guidance, preferably in his own home, as will serve the spiritual, emotional, mental, and physical welfare of the child and the best interests of the state; *to provide judicial procedures which protect the welfare of the child*; to preserve and strengthen the child's family ties whenever possible, removing him from the custody of his parents only when his welfare or safety cannot be adequately safeguarded without removal; and, when the child is removed from his own family, to secure for him custody, care and discipline as nearly as possible equivalent to that which should have been given by his parents.

The purpose of the laws relating to children alleged or adjudicated to be delinquent is to promote the public safety and reduce juvenile delinquency by maintaining the integrity of the substantive law prohibiting certain behavior and by developing individual responsibility for lawful behavior. This purpose should be pursued through means that are fair and just, that recognize the unique characteristics and needs of children, and that give children access to opportunities for personal and social growth.

The laws relating to juvenile courts shall be liberally construed to carry out these purposes.

Sec. 2. Minnesota Statutes 1984, section 260.133, subdivision 2, is amended to read:

Subd. 2. [TEMPORARY ORDER.] If it appears from the notarized petition or by sworn affidavit that there are reasonable grounds to believe the child is in immediate and present danger of domestic child abuse, the court may grant an ex parte temporary order for protection, pending a full hearing. The court may grant relief as it deems proper, including an order:

- (1) restraining any party from committing acts of domestic child abuse; or
- (2) excluding the alleged abusing party from the dwelling which the family or household members share or from the residence of the child.

However, no order excluding the alleged abusing party from the dwelling may be issued unless the court finds that:

- (1) the order is in the best interests of the child or children remaining in the dwelling; *and*
- (2) a remaining adult family or household member is able to care adequately for the child or children in the absence of the excluded party; *and*
- (3) ~~the local welfare agency has developed a plan to provide appropriate social services to the remaining family or household members.~~

Before the temporary order is issued, the local welfare agency shall advise the court and the other parties who are present that appropriate social services will be provided to the family or household members during the effective period of the order.

An ex parte temporary order for protection shall be effective for a fixed period not to exceed 14 days. Within five days of the issuance of the temporary order, the petitioner shall file a dependency and neglect petition with the court pursuant to section 260.131, and the court shall give docket priority to the petition.

The court may renew the temporary order for protection one time for a fixed period not to exceed 14 days if a dependency and neglect petition has been filed with the court and if the court determines, upon informal review of the case file, that the renewal is appropriate.

Sec. 3. Minnesota Statutes 1984, section 260.135, subdivision 1, is amended to read:

Subdivision 1. After a petition has been filed and unless the parties hereinafter named voluntarily appear, the court shall set a time for a hearing and shall issue a summons requiring the person who has custody or control of

the child to appear with the child before the court at a time and place stated. The summons shall have a copy of the petition attached, and shall advise the parties of the right to counsel and of the consequences of failure to obey the summons. *The court shall give docket priority to any dependency, neglect, neglected and in foster care, or delinquency petition that contains allegations of child abuse over any other case except those delinquency matters where a child is being held in a secure detention facility. As used in this subdivision, "child abuse" has the meaning given it in section 22, subdivision 2.*

Sec. 4. Minnesota Statutes 1984, section 260.155, is amended by adding a subdivision to read:

Subd. 4a. [EXAMINATION OF CHILD.] In any dependency, neglect, or neglected and in foster care proceeding the court may, on its own motion or the motion of any party, take the testimony of a child witness informally when it is in the child's best interests to do so. Informal procedures that may be used by the court include taking the testimony of a child witness outside the courtroom. The court may also require counsel for any party to the proceeding to submit questions to the court before the child's testimony is taken, and to submit additional questions to the court for the witness after questioning has been completed. The court may excuse the presence of the child's parent, guardian, or custodian from the room where the child is questioned in accordance with subdivision 5.

Sec. 5. Minnesota Statutes 1984, section 260.156, is amended to read:

260.156 [CERTAIN OUT-OF-COURT STATEMENTS ADMISSIBLE.]

An out-of-court statement made by a child under the age of ten years alleging, explaining, denying, or describing any act of sexual contact or penetration performed with or on the child or any act of physical abuse or neglect of the child by another, not otherwise admissible by statute or rule of evidence, is admissible in evidence in any dependency or neglect proceeding or any proceeding for termination of parental rights if:

(a) The court finds that the time, content, and circumstances of the statement and the reliability of the person to whom the statement is made provide sufficient indicia of reliability; and

(b) The proponent of the statement notifies other parties of his intention to offer the statement and the particulars of the statement sufficiently in advance of the proceeding at which he intends to offer the statement into evidence, to provide the parties with a fair opportunity to meet the statement.

Sec. 6. Minnesota Statutes 1984, section 260.171, subdivision 4, is amended to read:

Subd. 4. If the person who has taken the child into custody determines that the child should be placed in a secure detention facility or a shelter care facility, he shall advise the child and as soon as is possible, the child's parent, guardian, or custodian:

(a) of the reasons why the child has been taken into custody and why he is being placed in a secure detention facility or a shelter care facility; and

(b) of the location of the secure detention facility or shelter care facility. If

there is reason to believe that disclosure of the location of the shelter care facility would place the child's health and welfare in immediate endangerment, disclosure of the location of the shelter care facility shall not be made; and

(c) that the child's parent, guardian, or custodian and attorney or guardian ad litem may make an initial visit to the secure detention facility or shelter care facility at any time. Subsequent visits by a parent, guardian, or custodian may be made on a reasonable basis during visiting hours and by the child's attorney or guardian ad litem at reasonable hours; and

(d) that the child may telephone his parents and an attorney or guardian ad litem from the secure detention facility or shelter care facility immediately after being admitted to the facility and thereafter on a reasonable basis to be determined by the director of the facility; and

(e) that the child may not be detained for acts as defined in section 260.015, subdivision 5 at a secure detention facility or shelter care facility longer than 36 hours, excluding Saturdays, Sundays and holidays, unless a petition has been filed within that time and the court orders the child's continued detention, pursuant to section 260.172; and

(f) that the child may not be detained pursuant to section 260.165, subdivision 1, clause (a) or (c)(2), at a shelter care facility longer than 72 hours, excluding Saturdays, Sundays and holidays, unless a petition has been filed within that time and the court orders the child's continued detention, pursuant to section 260.172; and

(g) of the date, time, and place of the detention hearing; and

(h) that the child and the child's parent, guardian, or custodian have the right to be present and to be represented by counsel at the detention hearing, and that if they cannot afford counsel, counsel will be appointed at public expense for the child, if it is a delinquency matter, or for any party, if it is a dependency, neglect, neglected and in foster care, or termination of parental rights matter.

Sec. 7. Minnesota Statutes 1984, section 260.172, is amended by adding a subdivision to read:

Subd. 2a. [PARENTAL VISITATION.] If a child has been taken into custody under section 260.135, subdivision 5, or 260.165, subdivision 1, clause (c)(2), and the court determines that the child should continue in detention, the court shall include in its order reasonable rules for supervised or unsupervised parental visitation of the child in the shelter care facility unless it finds that visitation would endanger the child's physical or emotional well-being.

Sec. 8. Minnesota Statutes 1984, section 260.172, is amended by adding a subdivision to read:

Subd. 2b. [MENTAL HEALTH TREATMENT.] (a) Except as provided in paragraph (b), a child who is held in detention because he or she is alleged to be a victim of child abuse as defined in section 22, subdivision 2, may not be given mental health treatment specifically for the effects of the alleged abuse until the court finds that there is probable cause to believe the abuse has occurred.

(b) A child described in paragraph (a) may be given mental health treatment prior to a probable cause finding of child abuse if the treatment is either agreed to by the child's parent or guardian in writing, or ordered by the court according to the standard contained in section 260.191, subdivision 1.

Sec. 9. Minnesota Statutes 1984, section 260.172, subdivision 4, is amended to read:

Subd. 4. If a child held in detention under a court order issued under subdivision 2 has not been released prior to expiration of the order, the court or referee shall informally review the child's case file to determine, under the standards provided by subdivision 1, whether detention should be continued. If detention is continued thereafter, informal reviews such as these shall be held within every eight days, excluding Saturdays, Sundays and holidays, of the child's detention.

A hearing, rather than an informal review of the child's case file, shall be held at the request of any one of the parties notified pursuant to subdivision 3, if that party notifies the court that he wishes to present to the court new evidence concerning whether the child should be continued in detention.

In addition, if a child was taken into detention under section 260.135, subdivision 5, or 260.165, subdivision 1, clause (c)(2), and is held in detention under a court order issued under subdivision 2, the court shall schedule and hold an adjudicatory hearing on the petition within 60 days of the detention hearing upon the request of any party to the proceeding unless good cause is shown by a party to the proceeding why the hearing should not be held within that time period.

Sec. 10. Minnesota Statutes 1984, section 260.191, subdivision 1, is amended to read:

Subdivision 1. [DISPOSITIONS.] If the court finds that the child is neglected, dependent, or neglected and in foster care, it shall enter an order making any of the following dispositions of the case:

(a) Place the child under the protective supervision of the county welfare board or child placing agency in his own home under conditions prescribed by the court directed to the correction of the neglect or dependency of the child;

(b) Transfer legal custody to one of the following:

(1) a child placing agency; or

(2) the county welfare board.

In placing a child whose custody has been transferred under this paragraph, the agency and board shall follow the order of preference stated in section 260.181, subdivision 3;

(c) If the child is in need of special treatment and care for his physical or mental health, the court may order the child's parent, guardian, or custodian

to provide it. If the parent, guardian, or custodian fails to provide this treatment or care, the court may order it provided. *If the court's order for mental health treatment is based on a diagnosis made by a treatment professional, the court may order that the diagnosing professional not provide the treatment to the child if it finds that such an order is in the child's best interests.*

Sec. 11. Minnesota Statutes 1984, section 260.191, is amended by adding a subdivision to read:

Subd. 1d. [PARENTAL VISITATION.] If the court orders that the child be placed outside of the child's home or present residence, it shall set reasonable rules for supervised or unsupervised parental visitation that contribute to the objectives of the court order and the maintenance of the familial relationship. No parent may be denied visitation unless the court finds at the disposition hearing that the visitation would act to prevent the achievement of the order's objectives or that it would endanger the child's physical or emotional well-being.

Sec. 12. Minnesota Statutes 1984, section 260.191, is amended by adding a subdivision to read:

Subd. 2a. [SERVICE OF ORDER.] Any person who provides services to a child under a disposition order, or who is subject to the conditions of a disposition order shall be served with a copy of the order in the manner provided in the rules for juvenile courts.

Sec. 13. Minnesota Statutes 1984, section 595.02, subdivision 3, is amended to read:

Subd. 3. [CERTAIN OUT-OF-COURT STATEMENTS ADMISSIBLE.] An out-of-court statement made by a child under the age of ten years alleging, explaining, denying, or describing any act of sexual contact or penetration performed with or on the child *or any act of physical abuse of the child* by another, not otherwise admissible by statute or rule of evidence, is admissible in evidence if:

(a) the court or person authorized to receive evidence finds, in a hearing conducted outside of the presence of the jury, that the time, content, and circumstances of the statement and the reliability of the person to whom the statement is made provide sufficient indicia of reliability; and

(b) the child either:

(i) testifies at the proceedings; or

(ii) is unavailable as a witness and there is corroborative evidence of the act; and

(c) the proponent of the statement notifies the adverse party of his intention to offer the statement and the particulars of the statement sufficiently in advance of the proceeding at which he intends to offer the statement into evidence to provide the adverse party with a fair opportunity to prepare to meet the statement.

Sec. 14. Minnesota Statutes 1984, section 609.341, is amended by adding a subdivision to read:

Subd. 15. [SIGNIFICANT RELATIONSHIP.] "Significant relationship"

means a situation in which the actor is:

- (1) the complainant's parent, stepparent, or guardian;
- (2) any of the following persons related to the complainant by blood, marriage, or adoption: brother, sister, stepbrother, stepsister, first cousin, aunt, uncle, nephew, niece, grandparent, great-grandparent, great-uncle, great-aunt; or
- (3) an adult who jointly resides intermittently or regularly in the same dwelling as the complainant and who is not the complainant's spouse.

Sec. 15. Minnesota Statutes 1984, section 609.342, is amended to read:

609.342 [CRIMINAL SEXUAL CONDUCT IN THE FIRST DEGREE.]

Subdivision 1. [CRIME DEFINED.] A person is guilty of criminal sexual conduct in the first degree ~~and may be sentenced to imprisonment for not more than 20 years or to payment of a fine of not more than \$35,000, or both,~~ if he engages in sexual penetration with another person and if any of the following circumstances exists:

- (a) The complainant is under 13 years of age and the actor is more than 36 months older than the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; ~~or~~
- (b) The complainant is at least 13 but less than 16 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the complainant, and uses this authority to cause the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; ~~or~~
- (c) Circumstances existing at the time of the act cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another; ~~or~~
- (d) The actor is armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it to be a dangerous weapon and uses or threatens to use the weapon or article to cause the complainant to submit; ~~or~~
- (e) The actor causes personal injury to the complainant, and either of the following circumstances exist:
 - (i) The actor uses force or coercion to accomplish sexual penetration; or
 - (ii) The actor knows or has reason to know that the complainant is mentally defective, mentally incapacitated, or physically helpless; ~~or~~
- (f) The actor is aided or abetted by one or more accomplices within the meaning of section 609.05, and either of the following circumstances exists:
 - (i) An accomplice uses force or coercion to cause the complainant to submit; ~~or~~
 - (ii) An accomplice is armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant reasonably to believe it to be a dangerous weapon and uses or threatens to use the weapon or article to cause the complainant to submit;
- (g) The actor has a significant relationship to the complainant and the

complainant was under 16 years of age at the time of the sexual penetration. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; or

(h) The actor has a significant relationship to the complainant, the complainant was under 16 years of age at the time of the sexual penetration, and:

(i) the actor or an accomplice used force or coercion to accomplish the penetration;

(ii) the actor or an accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it could be a dangerous weapon and used or threatened to use the dangerous weapon;

(iii) circumstances existed at the time of the act to cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another;

(iv) the complainant suffered personal injury; or

(v) the sexual abuse involved multiple acts committed over an extended period of time.

Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense.

Subd. 2. [PENALTY.] A person convicted under subdivision 1 may be sentenced to imprisonment for not more than 20 years or to a payment of a fine of not more than \$35,000, or both.

Subd. 3. [STAY.] Except when imprisonment is required under section 609.346, if a person is convicted under subdivision 1, clause (g), the court may stay imposition or execution of the sentence if it finds that:

(a) a stay is in the best interest of the complainant or the family unit; and

(b) a professional assessment indicates that the offender has been accepted by and can respond to a treatment program.

If the court stays imposition or execution of sentence, it shall include the following as conditions of probation:

(1) incarceration in a local jail or workhouse; and

(2) a requirement that the offender complete a treatment program.

Sec. 16. Minnesota Statutes 1984, section 609.343, is amended to read:

609.343 [CRIMINAL SEXUAL CONDUCT IN THE SECOND DEGREE.]

Subdivision 1. [CRIME DEFINED.] A person is guilty of criminal sexual conduct in the second degree and may be sentenced to imprisonment for not more than 15 years or to payment of a fine of not more than \$30,000, or both, if he engages in sexual contact with another person and if any of the following circumstances exists:

(a) The complainant is under 13 years of age and the actor is more than 36 months older than the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense. In a prosecution

under this clause, the state is not required to prove that the sexual contact was coerced; ~~or~~

(b) The complainant is at least 13 but less than 16 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the complainant, and uses this authority to cause the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; ~~or~~

(c) Circumstances existing at the time of the act cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another; ~~or~~

(d) The actor is armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it to be a dangerous weapon and uses or threatens to use the dangerous weapon to cause the complainant to submit; ~~or~~

(e) The actor causes personal injury to the complainant, and either of the following circumstances exist:

(i) The actor uses force or coercion to accomplish the sexual contact; or

(ii) The actor knows or has reason to know that the complainant is mentally defective, mentally incapacitated, or physically helpless; ~~or~~

(f) The actor is aided or abetted by one or more accomplices within the meaning of section 609.05, and either of the following circumstances exists:

(i) An accomplice uses force or coercion to cause the complainant to submit; or

(ii) An accomplice is armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it to be a dangerous weapon and uses or threatens to use the weapon or article to cause the complainant to submit;

(g) *The actor has a significant relationship to the complainant and the complainant was under 16 years of age at the time of the sexual contact. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; or*

(h) *The actor has a significant relationship to the complainant, the complainant was under 16 years of age at the time of the sexual contact, and:*

(i) *the actor or an accomplice used force or coercion to accomplish the contact;*

(ii) *the actor or an accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it could be a dangerous weapon and used or threatened to use the dangerous weapon;*

(iii) *circumstances existed at the time of the act to cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another;*

(iv) *the complainant suffered personal injury; or*

(v) *the sexual abuse involved multiple acts committed over an extended*

period of time.

Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense.

Subd. 2. [PENALTY.] A person convicted under subdivision 1 may be sentenced to imprisonment for not more than 15 years or to a payment of a fine of not more than \$30,000, or both.

Subd. 3. [STAY.] Except when imprisonment is required under section 609.346, if a person is convicted under subdivision 1, clause (g), the court may stay imposition or execution of the sentence if it finds that:

- (a) a stay is in the best interest of the complainant or the family unit; and*
- (b) a professional assessment indicates that the offender has been accepted by and can respond to a treatment program.*

If the court stays imposition or execution of sentence, it shall include the following as conditions of probation:

- (1) incarceration in a local jail or workhouse; and*
- (2) a requirement that the offender complete a treatment program.*

Sec. 17. Minnesota Statutes 1984, section 609.344, is amended to read:

609.344 [CRIMINAL SEXUAL CONDUCT IN THE THIRD DEGREE.]

Subdivision 1. [CRIME DEFINED.] A person is guilty of criminal sexual conduct in the third degree and may be sentenced to imprisonment for not more than ten years, or to payment of a fine of not more than \$20,000, or both, if he engages in sexual penetration with another person and any of the following circumstances exists:

(a) The complainant is under 13 years of age and the actor is no more than 36 months older than the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant shall be a defense; or

(b) The complainant is at least 13 but less than 16 years of age and the actor is more than 24 months older than the complainant. In any such case it shall be an affirmative defense, which must be proved by a preponderance of the evidence, that the actor believes the complainant to be 16 years of age or older. If the actor in such a case is no more than 48 months but more than 24 months older than the complainant, he may be sentenced to imprisonment for not more than five years. Consent by the complainant is not a defense; or

(c) The actor uses force or coercion to accomplish the penetration; or

(d) The actor knows or has reason to know that the complainant is mentally defective, mentally incapacitated, or physically helpless; or

(e) The complainant is at least 16 but less than 18 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the complainant, and uses this authority to cause the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense;

(f) The actor has a significant relationship to the complainant and the complainant was at least 16 but under 18 years of age at the time of the

sexual penetration. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; or

(g) The actor has a significant relationship to the complainant, the complainant was at least 16 but under 18 years of age at the time of the sexual penetration, and:

(i) the actor or an accomplice used force or coercion to accomplish the penetration;

(ii) the actor or an accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it could be a dangerous weapon and used or threatened to use the dangerous weapon;

(iii) circumstances existed at the time of the act to cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another;

(iv) the complainant suffered personal injury; or

(v) the sexual abuse involved multiple acts committed over an extended period of time.

Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense.

Subd. 2. [PENALTY.] A person convicted under subdivision 1 may be sentenced to imprisonment for not more than ten years or to a payment of a fine of not more than \$20,000, or both.

Subd. 3. [STAY.] Except when imprisonment is required under section 609.346, if a person is convicted under subdivision 1, clause (f), the court may stay imposition or execution of the sentence if it finds that:

(a) a stay is in the best interest of the complainant or the family unit; and

(b) a professional assessment indicates that the offender has been accepted by and can respond to a treatment program.

If the court stays imposition or execution of sentence, it shall include the following as conditions of probation:

(1) incarceration in a local jail or workhouse; and

(2) a requirement that the offender complete a treatment program.

Sec. 18. Minnesota Statutes 1984, section 609.345, is amended to read:

609.345 [CRIMINAL SEXUAL CONDUCT IN THE FOURTH DEGREE.]

Subdivision 1. [CRIME DEFINED.] A person is guilty of criminal sexual conduct in the fourth degree and may be sentenced to imprisonment for not more than five years, or to payment of a fine of not more than \$10,000, or both, if he engages in sexual contact with another person and if any of the following circumstances exists:

(a) The complainant is under 13 years of age and the actor is no more than 36 months older than the complainant. Neither mistake as to the complainant's age or consent to the act by the complainant is a defense. In a prosecu-

tion under this clause, the state is not required to prove that the sexual contact was coerced; or

(b) The complainant is at least 13 but less than 16 years of age and the actor is more than 48 months older than the complainant or in a position of authority over the complainant and uses this authority to cause the complainant to submit. In any such case, it shall be an affirmative defense which must be proved by a preponderance of the evidence that the actor believes the complainant to be 16 years of age or older; or

(c) The actor uses force or coercion to accomplish the sexual contact; or

(d) The actor knows or has reason to know that the complainant is mentally defective, mentally incapacitated, or physically helpless; or

(e) The complainant is at least 16 but less than 18 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the complainant, and uses this authority to cause the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense;

(f) The actor has a significant relationship to the complainant and the complainant was at least 16 but under 18 years of age at the time of the sexual contact. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; or

(g) The actor has a significant relationship to the complainant, the complainant was at least 16 but under 18 years of age at the time of the sexual contact, and:

(i) the actor or an accomplice used force or coercion to accomplish the contact;

(ii) the actor or an accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it could be a dangerous weapon and used or threatened to use the dangerous weapon;

(iii) circumstances existed at the time of the act to cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another;

(iv) the complainant suffered personal injury; or

(v) the sexual abuse involved multiple acts committed over an extended period of time.

Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense.

Subd. 2. [PENALTY.] A person convicted under subdivision 1 may be sentenced to imprisonment for not more than five years or to a payment of a fine of not more than \$10,000, or both.

Subd. 3. [STAY.] Except when imprisonment is required under section 609.346, if a person is convicted under subdivision 1, clause (f), the court may stay imposition or execution of the sentence if it finds that:

(a) a stay is in the best interest of the complainant or the family unit; and

(b) a professional assessment indicates that the offender has been accepted by and can respond to a treatment program.

If the court stays imposition or execution of sentence, it shall include the following as conditions of probation:

(1) incarceration in a local jail or workhouse; and

(2) a requirement that the offender complete a treatment program.

Sec. 19. Minnesota Statutes 1984, section 626.556, subdivision 11, is amended to read:

Subd. 11. [RECORDS.] All records maintained by a local welfare agency under this section, including any written reports filed under subdivision 7, shall be private data on individuals, except insofar as copies of reports are required by subdivision 7 to be sent to the local police department or the county sheriff. Report records maintained by any police department or the county sheriff shall be private data on individuals except the reports shall be made available to the investigating, petitioning, or prosecuting authority. The welfare board shall make available to the investigating, petitioning, or prosecuting authority any records which contain information relating to a specific incident of neglect or abuse which is under investigation, petition, or prosecution and information relating to any prior incidents of neglect or abuse involving any of the same persons. The records shall be collected and maintained in accordance with the provisions of chapter 13. *In conducting investigations and assessments pursuant to this section, the notice required by section 13.04, subdivision 2, need not be provided to a minor under the age of 10 who is the alleged victim of abuse or neglect.* An individual subject of a record shall have access to the record in accordance with those sections, except that the name of the reporter shall be confidential while the report is under assessment or investigation. After the assessment or investigation is completed, the name of the reporter shall be confidential but shall be accessible to the individual subject of the record upon court order.

Records maintained by local welfare agencies, the police department or county sheriff under this section shall be destroyed as described in clauses (a) to (c):

(a) If upon assessment or investigation a report is found to be unsubstantiated, notice of intent to destroy records of the report shall be mailed to the individual subject of the report. At the subject's request the records shall be maintained as private data. If no request from the subject is received within 30 days of mailing the notice of intent to destroy, the records shall be destroyed.

(b) All records relating to reports which, upon assessment or investigation, are found to be substantiated shall be destroyed seven years after the date of the final entry in the case record.

(c) All records of reports which, upon initial assessment or investigation, cannot be substantiated or disproved to the satisfaction of the local welfare agency, local police department or county sheriff may be kept for a period of one year. If the local welfare agency, local police department or county sheriff is unable to substantiate the report within that period, each agency unable to substantiate the report shall destroy its records relating to the report

in the manner provided by clause (a).

Sec. 20. Minnesota Statutes 1984, section 626.556, is amended by adding a subdivision to read:

Subd. 11a. [DISCLOSURE OF INFORMATION NOT REQUIRED IN CERTAIN CASES.] When interviewing a minor under subdivision 10, an individual does not include the parent or guardian of the minor for purposes of section 13.04, subdivision 2, when the parent or guardian is the alleged perpetrator of the abuse or neglect.

Sec. 21. [626.559] [INTERVIEWS WITH CHILD ABUSE VICTIMS.]

Subdivision 1. [POLICY.] It is the policy of this state to encourage adequate and accurate documentation of the number and content of interviews conducted with alleged child abuse victims during the course of a child abuse assessment, criminal investigation, or prosecution, and to discourage interviews that are unnecessary, duplicative, or otherwise not in the best interests of the child.

Subd. 2. [DEFINITIONS.] As used in this section:

(a) "child abuse" means physical or sexual abuse as defined in section 626.556, subdivision 2;

(b) "government employee" means an employee of a state or local agency, and any person acting as an agent of a state or local agency;

(c) "interview" means a statement of an alleged child abuse victim which is given or made to a government employee during the course of a child abuse assessment, criminal investigation, or prosecution; and

(d) "record" means an audio or videotape recording of an interview, or a written record of an interview.

Subd. 3. [RECORD REQUIRED.] Whenever an interview is conducted, the interviewer must make a record of the interview. The record must contain the following information:

(1) the date, time, place, and duration of the interview;

(2) the identity of the persons present at the interview; and

(3) if the record is in writing, a summary of the information obtained during the interview.

The records shall be maintained by the interviewer in accordance with applicable provisions of section 626.556, subdivision 11 and chapter 13.

Subd. 4. [GUIDELINES ON TAPE RECORDING OF INTERVIEWS.] Every county attorney's office shall be responsible for developing written guidelines on the tape recording of interviews by government employees who conduct child abuse assessments, criminal investigations, or prosecutions. The guidelines are public data as defined in section 13.02, subdivision 14.

Sec. 22. Minnesota Statutes 1984, section 630.36, is amended to read:

630.36 [ISSUES, HOW DISPOSED OF.]

Subdivision 1. [ORDER.] The issues on the calendar shall be disposed of in the following order, unless, upon the application of either party, for good

cause, the court directs an indictment *or complaint* to be tried out of its order:

(1) Indictments *or complaints* for felony, where the defendant is in custody;

(2) Indictments *or complaints* for misdemeanor, where the defendant is in custody;

(3) Indictments *or complaints* alleging child abuse, as defined in subdivision 2, where the defendant is on bail;

(4) Indictments *or complaints* for felony, where the defendant is on bail; and

(4) (5) Indictments *or complaints* for misdemeanor, where the defendant is on bail.

After his plea, the defendant shall be entitled to at least four days to prepare for his trial, if he requires it.

Subd. 2. [CHILD ABUSE DEFINED.] As used in subdivision 1, "child abuse" means any act which involves a minor victim and which constitutes a violation of section 609.221, 609.222, 609.223, 609.2231, 609.255, 609.321, 609.322, 609.323, 609.324, 609.342, 609.343, 609.344, 609.345, 609.377, 609.378, or 617.246, or section 609.224 if the minor victim is a family or household member of the defendant.

Sec. 23. [631.046] [AUTHORIZING PRESENCE OF PARENT FOR MINOR PROSECUTING WITNESS.]

Notwithstanding any other law, a prosecuting witness under 18 years of age in a case involving child abuse as defined in section 22, subdivision 2, may choose to have in attendance a parent, guardian, or other supportive person, whether or not a witness, at the omnibus hearing or at the trial, during testimony of the prosecuting witness. If the person so chosen is also a prosecuting witness, the prosecution shall present on noticed motion, evidence that the person's attendance is both desired by the prosecuting witness for support and will be helpful to the prosecuting witness. Upon that showing the court shall grant the request unless information presented by the defendant or noticed by the court establishes that the support person's attendance during the testimony of the prosecuting witness would pose a substantial risk of influencing or affecting the content of that testimony.

Sec. 24. [REPEALER.]

Minnesota Statutes 1984, sections 609.364, 609.3641, 609.3642, 609.3643, and 609.3644, are repealed."

Delete the title and insert:

"A bill for an act relating to children and families; providing judicial procedures to protect the welfare of alleged child abuse victims and their families; requiring juvenile and criminal courts to give docket priority to child abuse cases; providing for the examination of child witnesses; clarifying the admissibility of certain out-of-court statements; merging the crimes of "intrafamilial sexual abuse" and "criminal sexual conduct" and limiting the discretion of courts to stay sentences of familial sexual abuse defendants; requiring recordkeeping and tape recording guidelines with respect to inter-

views with child abuse victims; eliminating certain notice requirements; amending Minnesota Statutes 1984, sections 260.011, subdivision 2; 260.133, subdivision 2; 260.135, subdivision 1; 260.155, by adding a subdivision; 260.156; 260.171, subdivision 4; 260.172, subdivision 4, and by adding subdivisions; 260.191, subdivision 1, and by adding subdivisions; 595.02, subdivision 3; 609.341, by adding a subdivision; 609.342; 609.343; 609.344; 609.345; 626.556, subdivision 11, and by adding a subdivision; and 630.36; proposing coding for new law in Minnesota Statutes, chapters 626 and 631; repealing Minnesota Statutes 1984, sections 609.364 to 609.3644."

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

House Conferees: (Signed) Kathleen Blatz, Don Valento, Arthur W. Seaberg, Randy C. Kelly, Kathleen Vellenga

Senate Conferees: (Signed) Ember D. Reichgott, Eric D. Petty, Allan H. Spear, Fritz Knaak, Donald A. Storm

Ms. Reichgott moved that the foregoing recommendations and Conference Committee Report on H.F. No. 848 be now adopted, and that the bill be repassed as amended by the Conference Committee.

CALL OF THE SENATE

Ms. Reichgott imposed a call of the Senate for the balance of the proceedings on H.F. No. 848. The Sergeant at Arms was instructed to bring in the absent members.

The question recurred on the motion of Ms. Reichgott to adopt the Conference Committee Report on H.F. No. 848. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 848 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 49 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Jude	Mehrken	Schmitz
Anderson	Diessner	Kamrath	Olson	Sieloff
Belanger	Frank	Knaak	Pehler	Spear
Benson	Frederick	Kronebusch	Peterson, C.C.	Storm
Berg	Frederickson	Laidig	Peterson, D.C.	Stumpf
Bernhagen	Freeman	Langseth	Peterson, D.L.	Taylor
Bertram	Gustafson	Lantry	Peterson, R.W.	Vega
Brataas	Hughes	Lessard	Purfeerst	Waldorf
Chmielewski	Isackson	Luther	Ramstad	Willet
Davis	Johnson, D.E.	McQuaid	Reichgott	

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommen-

dation and report of the Conference Committee on House File No. 968, and repassed said bill in accordance with the report of the Committee, so adopted.

H.F. No. 968: A bill for an act relating to education; permitting payroll deductions in the state university system for a certain nonprofit university foundation; proposing coding for new law in Minnesota Statutes, chapter 136.

House File No. 968 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

Mr. Waldorf moved that H.F. No. 968 and the Conference Committee Report thereon be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

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

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Moe, D.M. introduced—

S.F. No. 1564: A bill for an act relating to local government; regulating the payment of severance pay by governmental subdivisions; amending Minnesota Statutes 1984, section 465.72.

Referred to the Committee on Governmental Operations.

Messrs. Merriam, Spear, Petty and Knaak introduced—

S.F. No. 1565: A bill for an act relating to probate; enacting statutory will provisions that a testator may adopt by reference; enacting the uniform statutory will act; proposing coding for new law as Minnesota Statutes, chapter 525A.

Referred to the Committee on Judiciary.

Mr. Vega introduced—

S.F. No. 1566: A bill for an act relating to housing; economic development; authorizing the Minnesota housing finance agency to assist persons over 55 in purchasing homes in the city of Ely; amending Minnesota Statutes 1984, section 462A.05, by adding a subdivision.

Referred to the Committee on Energy and Housing.

Messrs. Luther, Storm and Solon introduced—

S.F. No. 1567: A bill for an act relating to financial institutions; permitting

additional detached facilities; amending Minnesota Statutes 1984, sections 47.52; and 49.34, subdivision 2.

Referred to the Committee on Economic Development and Commerce.

MOTIONS AND RESOLUTIONS - CONTINUED

SPECIAL ORDER

H.F. No. 1589: A bill for an act relating to collection and dissemination of data; classifying government data as confidential, private, nonpublic, protected nonpublic, and public; clarifying issues relating to classifications of data, access to data, and classifications of inactive investigative data; refining provisions of the data practices act; amending Minnesota Statutes 1984, sections 13.03, subdivision 3, and by adding a subdivision; 13.08, by adding a subdivision; 13.09; 13.32, subdivision 1; 13.37, subdivision 2; 13.39, by adding a subdivision; 13.43, subdivision 4; 13.46, subdivisions 1, 2, 3, 7, and 10; 13.65, subdivision 1; 13.71; 13.72, by adding subdivisions; 13.82, by adding subdivisions; 13.84, subdivisions 1 and 6; 144.335, subdivision 2; 245.783, by adding a subdivision; and 626.556, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 13 and 144; repealing Minnesota Statutes 1984, sections 13.73 and 13.81.

Mr. Peterson, R.W. moved that the amendment made to H.F. No. 1589 by the Committee on Rules and Administration in the report adopted May 15, 1985, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 1589 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 44 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Jude	McQuaid	Schmitz
Anderson	Diessner	Kamrath	Mehrkens	Spear
Belanger	Frank	Knaak	Olson	Storm
Benson	Frederick	Kroening	Peterson, D.C.	Stumpf
Berg	Frederickson	Kronebusch	Peterson, D.L.	Taylor
Bernhagen	Freeman	Laidig	Peterson, R.W.	Vega
Bertram	Gustafson	Lantry	Ramstad	Waldorf
Chmielewski	Hughes	Lessard	Reichgott	Willet
Davis	Isackson	Luther	Samuelson	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 384: A bill for an act relating to the city of Minneapolis; permitting the establishment of special service districts in the city and providing taxing and other authority.

Mr. Spear moved that the amendment made to H.F. No. 384 by the Committee on Rules and Administration in the report adopted May 16, 1985, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 384 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 44 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Merriam	Samuelson
Anderson	Frank	Kroening	Moe, R.D.	Schmitz
Belanger	Frederick	Kronebusch	Novak	Solon
Benson	Frederickson	Langseth	Olson	Spear
Berg	Freeman	Lantry	Peterson, C.C.	Storm
Bernhagen	Gustafson	Lessard	Peterson, D.C.	Taylor
Bertram	Hughes	Luther	Peterson, R.W.	Waldorf
Chmielewski	Isackson	McQuaid	Ramstad	Willet
Davis	Jude	Mehrkins	Reichgott	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 646: A bill for an act relating to public records; providing for fees of the county recorder and secretary of state; amending Minnesota Statutes 1984, sections 268.161, subdivision 1; 270.69, by adding a subdivision; 272.483; 336.9-407; 357.18, subdivision 1; 386.77; 505.08, subdivision 2; 508.47, subdivision 4; 508.82; 508A.11; 508A.47, subdivision 4; and 508A.82.

Mr. Peterson, R.W. moved that the amendment made to H.F. No. 646 by the Committee on Rules and Administration in the report adopted May 17, 1985, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 646 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 46 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kamrath	Olson	Storm
Anderson	Frank	Kroening	Pehler	Stumpf
Belanger	Frederick	Kronebusch	Peterson, D.L.	Taylor
Benson	Frederickson	Lantry	Peterson, R.W.	Waldorf
Berg	Freeman	Lessard	Ramstad	Wegscheid
Bernhagen	Gustafson	Luther	Reichgott	Willet
Bertram	Hughes	McQuaid	Schmitz	
Brataas	Isackson	Mehrkins	Sieloff	
Davis	Johnson, D.E.	Moe, R.D.	Solon	
DeCramer	Jude	Novak	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 961: A bill for an act relating to water; providing for comprehensive local water management; authorizing counties to develop and implement county water and related land resources plans; authorizing the water resources board to make comprehensive water planning grants to counties; providing additional authorities to counties; providing additional duties of the

water resources board; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 110B.

Mr. Waldorf moved to amend H.F. No. 961, as amended pursuant to Rule 49, adopted by the Senate May 17, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 993.)

Page 7, line 11, delete "TO COUNTIES"

Page 7, line 13, after "counties" insert "and watershed management organizations as defined in section 473.876, subdivision 9,"

Page 7, line 14, after "11" insert "and sections 473.878 and 473.879" and after "counties" insert "and watershed management organizations"

Page 7, line 16, after "3" insert "and sections 473.878 and 473.879"

Page 7, line 24, after "Counties" insert "and watershed management organizations"

Page 7, line 32, after "counties" insert "and watershed management organizations"

Page 7, line 34, after "county" insert "and watershed management organization"

Page 7, line 35, after "11" insert "and sections 473.878 and 473.879"

Page 8, line 4, after "11" insert "and sections 473.878 and 473.879"

Page 13, lines 27 and 30, after "1" insert "to 4 and 6"

Page 14, delete section 12, and insert:

"Sec. 12. [APPROPRIATION.]

\$300,000 is appropriated from the general fund to the water resources board for water planning grants under section 5 for the following purposes to be available until June 30, 1987:

(a) *For metropolitan county
and watershed management organization
water planning grants*

\$150,000

(b) *For outstate county water
planning grants*

\$150,000"

The motion prevailed. So the amendment was adopted.

Mr. Renneke moved to amend H.F. No. 961, as amended pursuant to Rule 49, adopted by the Senate May 17, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 993.)

Page 1, line 21, delete "required of counties by" and insert "adopted by a county under"

Page 2, line 23, delete "may" and insert "is encouraged to"

Page 5, after line 13, insert:

"Subd. 8. [DATA ACQUISITION.] *The data collected under this section that has common value as determined by the state planning agency for natu-*

ral resources planning must be provided and integrated into the Minnesota land management information systems geographic and summary data bases according to published data compatibility guidelines."

Page 13, after line 23, insert:

"Sec. 11. [110B.14] [COMMISSION OVERSIGHT; REPORT REQUIRED.]

The board shall, on or before January 15 of each year, submit to the legislative commission on Minnesota resources a written report on the board's functions and the implementation of the comprehensive local water management act since the previous report under this section was submitted. The report to the commission must include the board's recommendations for changes to the act and any recommendations for funding. The board shall also report to the commission at other times requested by the commission. The commission may make recommendations to the legislature concerning the funding, implementation, and amendment of the act."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 961 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 38 and nays 8, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Johnson, D.E.	Mehrkens	Schmitz
Anderson	Frank	Jude	Olson	Sieloff
Belanger	Frederick	Kronebusch	Peterson, D.C.	Spear
Berg	Frederickson	Laidig	Peterson, R.W.	Storm
Bernhagen	Freeman	Lantry	Pogemiller	Wegscheid
Chmielewski	Gustafson	Lessard	Purfeerst	Willet
Davis	Hughes	Luther	Ramstad	
DeCramer	Isackson	McQuaid	Renneke	

Those who voted in the negative were:

Benson	Dieterich	Kroening	Samuelson	Stumpf
Bertram	Kamrath	Peterson, D.L.		

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

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 that the House refuses to concur in the Senate amendments to House File No. 1070:

H.F. No. 1070: A bill for an act relating to corrections; authorizing the commissioner of corrections to do background studies on personnel em-

ployed by certain licensed facilities; requiring the commissioner of corrections to establish a program to prevent sexual exploitation by psychotherapists; extending the sexual exploitation task force; creating an advisory task force to study the regulation of psychotherapists; amending Minnesota Statutes 1984, section 241.021, by adding a subdivision; Laws 1984, chapter 631, section 1, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 241.

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

Ozment, Blatz and Knuth have been appointed as such committee on the part of the House.

House File No. 1070 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 20, 1985

Ms. Peterson, D.C. moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1070, 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. 1227:

H.F. No. 1227: A bill for an act relating to crimes; prohibiting sexual contact or penetration based on deception; providing that a psychotherapist who engages in sexual contact or penetration with a patient is guilty of criminal sexual conduct; limiting admissibility of a patient's personal or medical history; amending Minnesota Statutes 1984, sections 609.341, by adding subdivisions; 609.344; 609.345; and 609.347, by adding a subdivision.

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

Bishop, Blatz and Vanasek have been appointed as such committee on the part of the House.

House File No. 1227 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 20, 1985

Ms. Peterson, D.C. moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1227, 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

Senate Files, herewith returned: S.F. Nos. 274, 743 and 1088.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

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. 230: A bill for an act relating to commerce; authorizing industrial loan and thrifts to sell certain evidences of indebtedness; establishing different certificate of authorization requirements for corporations that will and will not sell or issue thrift certificates; modifying certain application and examination duties of the department of commerce; providing simplified requirements for the issuance of more than one certificate of authorization to the same corporation; clarifying the right of industrial loan and thrifts to collect certain additional loan charges; exempting certain mortgage purchasers and assignees from licensing as regulated lenders; prohibiting industrial loan and thrifts from using the words "savings and loan" in their corporate names; authorizing regulated lenders to make loans up to ten percent of capital; modifying the licensing provisions governing regulated lenders; providing for changes in business locations of regulated lenders; increasing the minimum default charge that may be charged; providing for the determination of interest; authorizing certain additional loan charges; and providing alternative loan disclosure requirements; providing that certain violations do not impair obligations of a contract; providing penalties; providing for certain dollar adjustments; amending Minnesota Statutes 1984, sections 48.151; 53.03, subdivisions 1, 2, 2a, 3a, 5, 7, 8, and by adding a subdivision; 53.04, subdivision 3a; 53.05; 56.01; 56.04; 56.07; 56.12; 56.125, subdivision 4; 56.131, subdivisions 1 and 4; 56.19, subdivision 4, and by adding a subdivision; and 550.37, subdivision 4a; repealing Minnesota Statutes 1984, section 53.03, subdivision 4.

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

Blatz, Metzen and Valan.

Senate File No. 230 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

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. 1249: A bill for an act relating to horse racing; making certain technical and clarifying amendments; providing for certain name changes; modifying certain license revocation and suspension procedures; modifying the amounts deducted by the licensee for purses; appropriating money;

amending Minnesota Statutes 1984, sections 240.01, subdivision 10; 240.02, subdivision 5; 240.03; 240.04; 240.05, subdivision 2; 240.06, subdivision 2; 240.08, subdivisions 1 and 5; 240.09, subdivisions 2, 3, and 6; 240.13, subdivisions 5 and 6; 240.14, subdivision 1; 240.15, subdivisions 5 and 6; 240.16, subdivisions 1 and 6; 240.18; 240.22; 240.24; 240.25, subdivisions 1 and 4; 240.29; 541.20; and 541.21; repealing Minnesota Statutes 1984, section 624.02.

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

Redalen, Kostohryz and Omann.

Senate File No. 1249 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

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. 719: A bill for an act relating to wild animals; authorizing the commissioner of natural resources to permit, on an experimental basis, the taking of two deer by one hunter; under conditions and restrictions prescribed by order; requiring the removal of elk from the state; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 97.

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

Rose, Sparby and Redalen.

Senate File No. 719 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

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 five members of the House, on the amendments adopted by the House to the following Senate File:

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.

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

Heap, Marsh, Seaberg, Frerichs and Simoneau.

Senate File No. 1159 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

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. 472: A bill for an act relating to taxation; discontinuing enforcement of the unfair cigarette sales act; modifying certain procedures relating to taxpayer appeals; requiring apportionment of levies in specific situations; clarifying the calculation of property tax credits; clarifying the tax treatment of certain pipelines; modifying provisions relating to the payment of property taxes; allowing for sales of sample packs of cigarettes containing 25 cigarettes; altering the eligibility for confessions of judgment; providing for the recording of state deeds; modifying the deed stamp tax procedure; clarifying the computation of gross earnings tax for taconite railroads; clarifying labor credit provisions; modifying the taconite production tax distribution; reducing occupation and royalty tax rates for certain ore; clarifying process of taconite aid guarantee phase out; requiring payment of current taxes before conveyance of registered land; allowing for memorializing of state deeds on certificates of title; amending Minnesota Statutes 1984, sections 270.06; 270.076, subdivision 2; 270.11, subdivision 7; 270.12, subdivision 3; 272.02, subdivision 1; 273.123, subdivision 5; 273.13, subdivision 4; 273.138, subdivision 5; 273.33, subdivisions 1 and 2; 279.01, subdivision 1; 279.37, subdivision 1; 282.01, subdivision 6; 282.014; 282.301; 282.33, subdivision 1; 282.36; 287.25; 294.22; 297.03, subdivision 10; 298.01, subdivision 1; 298.02, subdivision 1; 298.225; 298.28, subdivision 1; 299.01, subdivision 1; 299.012, subdivision 1; 473H.10, subdivision 3; 508.47, subdivision 4; 508.71, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 273; repealing Minnesota Statutes 1984, sections 298.01, subdivision 2; 299.01, subdivision 2; 325D.41; and 477A.04.

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

Dempsey, Schreiber and Himle.

Senate File No. 472 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 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. 213, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 213 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

CONFERENCE COMMITTEE REPORT ON H.F. NO. 213

A bill for an act relating to the maltreatment of minors or vulnerable adults

in certain licensed facilities; providing for notification of parents or guardians after reports of alleged abuse; clarifying certain provisions; amending Minnesota Statutes 1984, sections 626.556, subdivisions 10b, 11, and by adding a subdivision; and 626.557, subdivision 12, and by adding a subdivision.

May 18, 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. 213, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H.F. No. 213 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1984, section 13.46, subdivision 3, is amended to read:

Subd. 3. [INVESTIGATIVE DATA.] Data on persons, including data on vendors of services *and data on licensees*, that is collected, maintained, used, or disseminated by the welfare system in an investigation, authorized by statute and relating to the enforcement of rules or law, is confidential data on individuals pursuant to section 13.02, subdivision 3, or protected non-public data not on individuals pursuant to section 13.02, subdivision 13, and shall not be disclosed except:

- (a) pursuant to section 13.05;
- (b) pursuant to statute or valid court order;
- (c) to a party named in a civil or criminal proceeding, administrative or judicial, for preparation of defense; *or*
- (d) *to provide the notices required and permitted by sections 3, 4, and 6.*

The data referred to in this subdivision shall be classified as public data upon its submission to an administrative law judge or court in an administrative or judicial proceeding.

Sec. 2. Minnesota Statutes 1984, section 13.46, subdivision 4, is amended to read:

Subd. 4. [LICENSING DATA.] All data collected, maintained, used, or disseminated by the welfare system pertaining to persons licensed or registered under the authority of the commissioner of human services, except for personal and personal financial data about applicants and licensees under the family day care program and the family foster care program *and data generated in the course of licensing investigations that are in response to a complaint of a rule or statutory violation*, are public data. Personal and personal financial data on family day care program and family foster care program applicants and licensees are private data pursuant to section 13.02, subdivision 12. *Data generated in the course of licensing investigations that are in response to a complaint of a rule or statutory violation are investiga-*

tive data pursuant to section 13.46, subdivision 3.

Sec. 3. Minnesota Statutes 1984, section 626.556, subdivision 10b, is amended to read:

Subd. 10b. [DUTIES OF COMMISSIONER; NEGLECT OR ABUSE IN A FACILITY.] (a) If the report alleges that a child in the care of a facility as defined in subdivision 2 is neglected, physically abused, or sexually abused by an individual in that facility, the commissioner shall immediately investigate. The commissioner shall arrange for the transmittal to him of reports received by local agencies and may delegate to a local welfare agency the duty to investigate reports. In conducting an investigation under this section, the commissioner has the powers and duties specified for local welfare agencies under this section. *The commissioner or local welfare agency may interview any children who are or have been in the care of a facility under investigation and their parents, guardians, or legal custodians.*

(b) Prior to any interview, the commissioner or local welfare agency shall provide the following information to the parent, guardian, or legal custodian of a child who will be interviewed: the name of the facility; the fact that a report alleging neglect, physical abuse, or sexual abuse of a child in the facility has been received; the nature of the alleged neglect, physical abuse, or sexual abuse; that the agency is conducting an investigation; any protective or corrective measures being taken pending the outcome of the investigation; and that a written memorandum will be provided when the investigation is completed. If reasonable efforts to reach the parent, guardian, or legal custodian of a child in an out-of-home placement have failed, the child may be interviewed if there is reason to believe the interview is necessary to protect the child or other children in the facility. The commissioner or local agency must provide the information required in this subdivision to the parent, guardian, or legal custodian of a child interviewed without parental notification as soon as possible after the interview.

Sec. 4. Minnesota Statutes 1984, section 626.556, is amended by adding a subdivision to read:

Subd. 10c. [NOTIFICATION OF NEGLECT OR ABUSE IN A FACILITY.] (a) *When a report is received that alleges neglect, physical abuse, or sexual abuse of a child while in the care of a facility required to be licensed pursuant to sections 245.781 to 245.812, the commissioner or local welfare agency investigating the report shall provide the following information to the parent, guardian, or legal custodian of a child alleged to have been neglected, physically abused, or sexually abused: the name of the facility; the fact that a report alleging neglect, physical abuse, or sexual abuse of a child in the facility has been received; the nature of the alleged neglect, physical abuse, or sexual abuse; that the agency is conducting an investigation; any protective or corrective measures being taken pending the outcome of the investigation; and that a written memorandum will be provided when the investigation is completed.*

(b) The commissioner or local welfare agency may also provide the information in paragraph (a) to the parent, guardian, or legal custodian of any other child in the facility if the investigative agency knows or has reason to believe the alleged neglect, physical abuse, or sexual abuse has occurred. In determining whether to exercise this authority, the commissioner or local

welfare agency shall consider the seriousness of the alleged neglect, physical abuse, or sexual abuse; the number of children allegedly neglected, physically abused, or sexually abused; the number of alleged perpetrators; and the length of the investigation. The facility shall be notified whenever this discretion is exercised.

(c) When the commissioner or local welfare agency has completed its investigation, every parent, guardian, or legal custodian notified of the investigation by the commissioner or local welfare agency shall be provided with the following information in a written memorandum: the name of the facility investigated; the nature of the alleged neglect, physical abuse, or sexual abuse; the investigator's name; a summary of the investigation findings; a statement whether the report was found to be substantiated, inconclusive, or false; and the protective or corrective measures that are being or will be taken. The memorandum shall be written in a manner that protects the identity of the reporter and the child and shall not contain the name, or to the extent possible, reveal the identity of the alleged perpetrator or of those interviewed during the investigation. The commissioner or local welfare agency shall also provide the written memorandum to the parent, guardian, or legal custodian of each child in the facility if the report is substantiated. The commissioner or local welfare agency may also provide the written memorandum to the parent, guardian, or legal custodian of any other child in the facility if the investigation is inconclusive. The facility shall be notified whenever this discretionary authority is exercised.

Sec. 5. Minnesota Statutes 1984, section 626.556, subdivision 11, is amended to read:

Subd. 11. [RECORDS.] All records concerning individuals maintained by a local welfare agency under this section, including any written reports filed under subdivision 7, shall be private data on individuals, except insofar as copies of reports are required by subdivision 7 to be sent to the local police department or the county sheriff, and except as otherwise provided in sections 3 and 4. Report records maintained by any police department or the county sheriff shall be private data on individuals except the reports shall be made available to the investigating, petitioning, or prosecuting authority. The welfare board shall make available to the investigating, petitioning, or prosecuting authority any records which contain information relating to a specific incident of neglect or abuse which is under investigation, petition, or prosecution and information relating to any prior incidents of neglect or abuse involving any of the same persons. The records shall be collected and maintained in accordance with the provisions of chapter 13. An individual subject of a record shall have access to the record in accordance with those sections, except that the name of the reporter shall be confidential while the report is under assessment or investigation. After the assessment or investigation is completed, the name of the reporter shall be confidential but shall be accessible to the individual subject of the record upon court order.

Notwithstanding section 138.163, records maintained by local welfare agencies, the police department or county sheriff under this section shall be destroyed as described in clauses (a) to (c):

(a) If upon assessment or investigation a report is found to be unsubstantiated false, notice of intent to destroy records of the report shall be mailed to

the individual subject of the report. At the subject's request the records shall be maintained as private data. If no request from the subject is received within 30 days of mailing the notice of intent to destroy, the records shall be destroyed.

(b) All records relating to reports which, upon assessment or investigation, are found to be substantiated shall be destroyed seven years after the date of the final entry in the case record.

(c) All records of reports which, upon initial assessment or investigation, cannot be substantiated or disproved to the satisfaction of the local welfare agency, local police department or county sheriff may be kept for a period of one year. If the local welfare agency, local police department or county sheriff is unable to substantiate the report within that period, each agency unable to substantiate the report shall destroy its records relating to the report in the manner provided by clause (a).

Sec. 6. Minnesota Statutes 1984, section 626.557, is amended by adding a subdivision to read:

Subd. 10a. [NOTIFICATION OF NEGLECT OR ABUSE IN A FACILITY.] (a) When a report is received that alleges neglect, physical abuse, or sexual abuse of a vulnerable adult while in the care of a facility required to be licensed under section 144A.02 or sections 245.781 to 245.812, the local welfare agency investigating the report shall notify the guardian or conservator of the person of a vulnerable adult under guardianship or conservatorship of the person who is alleged to have been abused or neglected. The local welfare agency shall notify the person, if any, designated to be notified in case of an emergency by a vulnerable adult not under guardianship or conservatorship of the person who is alleged to have been abused or neglected, unless consent is denied by the vulnerable adult. The notice shall contain the following information: the name of the facility; the fact that a report of alleged abuse or neglect of a vulnerable adult in the facility has been received; the nature of the alleged abuse or neglect; that the agency is conducting an investigation; any protective or corrective measures being taken pending the outcome of the investigation; and that a written memorandum will be provided when the investigation is completed.

(b) In a case of alleged neglect, physical abuse, or sexual abuse of a vulnerable adult while in the care of a facility required to be licensed under sections 245.781 to 245.812, the local welfare agency may also provide the information in paragraph (a) to the guardian or conservator of the person of any other vulnerable adult in the facility who is under guardianship or conservatorship of the person, to any other vulnerable adult in the facility who is not under guardianship or conservatorship of the person, and to the person, if any, designated to be notified in case of an emergency by any other vulnerable adult in the facility who is not under guardianship or conservatorship of the person, unless consent is denied by the vulnerable adult, if the investigative agency knows or has reason to believe the alleged neglect, physical abuse, or sexual abuse has occurred.

(c) When the investigation required under subdivision 10 is completed, the local welfare agency shall provide a written memorandum containing the following information to every guardian or conservator of the person or other person notified by the agency of the investigation under paragraph (a)

or (b): the name of the facility investigated; the nature of the alleged neglect, physical abuse, or sexual abuse; the investigator's name; a summary of the investigative findings; a statement of whether the report was found to be substantiated, inconclusive, or false; and the protective or corrective measures that are being or will be taken. The memorandum shall be written in a manner that protects the identity of the reporter and the alleged victim and shall not contain the name or, to the extent possible, reveal the identity of the alleged perpetrator or of those interviewed during the investigation.

(d) In a case of neglect, physical abuse, or sexual abuse of a vulnerable adult while in the care of a facility required to be licensed under sections 245.781 to 245.812, the local welfare agency may also provide the written memorandum to the guardian or conservator of the person of any other vulnerable adult in the facility who is under guardianship or conservatorship of the person, to any other vulnerable adult in the facility who is not under guardianship or conservatorship of the person, and to the person, if any, designated to be notified in case of an emergency by any other vulnerable adult in the facility who is not under guardianship or conservatorship of the person, unless consent is denied by the vulnerable adult, if the report is substantiated or if the investigation is inconclusive and the report is a second or subsequent report of neglect, physical abuse, or sexual abuse of a vulnerable adult while in the care of the facility.

(e) In determining whether to exercise the discretionary authority granted under paragraphs (b) and (d), the local welfare agency shall consider the seriousness and extent of the alleged neglect, physical abuse, or sexual abuse and the impact of notification on the residents of the facility. The facility shall be notified whenever this discretion is exercised.

(f) Where federal law specifically prohibits the disclosure of patient identifying information, the local welfare agency shall not provide any notice under paragraph (a) or (b) or any memorandum under paragraph (c) or (d) unless the vulnerable adult has consented to disclosure in a manner which conforms to federal requirements.

Sec. 7. Minnesota Statutes 1984, section 626.557, subdivision 12, is amended to read:

Subd. 12. [RECORDS.] (a) Each licensing agency shall maintain summary records of reports of ~~suspected~~ alleged abuse or neglect and ~~suspected~~ alleged violations of the requirements of this section with respect to facilities or persons licensed or credentialed by that agency. As part of these records, the agency shall prepare an investigation memorandum. *Notwithstanding section 13.46, subdivision 3, the investigation memorandum shall be accessible to the public pursuant to section 13.03 and a copy shall be provided to any public agency which referred the matter to the licensing agency for investigation.* It shall contain a complete review of the agency's investigation, including but not limited to: the ~~facility's~~ name of any facility investigated; ~~if any,~~ a statement of the nature of the ~~suspected~~ alleged abuse or neglect or other violation of the requirements of this section; pertinent information obtained from medical or other records reviewed; the investigator's name; a summary of the investigation's findings; ~~and a statement of any determination made or whether the report was found to be substantiated, inconclusive, or false; and a statement of any action taken by the agency.~~

The investigation memorandum shall be written in a manner which protects the identity of the reporter and of the vulnerable adult and may not contain the name or, to the extent possible, the identity of the alleged perpetrator or of those interviewed during the investigation. During the licensing agency's investigation, all data collected pursuant to this section shall be classified as investigative data pursuant to section 13.39. After the licensing agency's investigation is complete, the data on individuals collected and maintained shall be private data on individuals. All data collected pursuant to this section shall be made available to prosecuting authorities and law enforcement officials, local welfare agencies, and licensing agencies investigating the alleged abuse or neglect. Notwithstanding any law to the contrary, the name of the reporter shall be disclosed only upon a finding by the court that the report was false and made in bad faith.

(b) Notwithstanding the provisions of section 138.163:

(1) All data maintained by licensing agencies, treatment facilities, or other public agencies which relate to reports which, upon investigation, ~~the licensing agency finds~~ *are found* to be false may be destroyed two years after the finding was made;

(2) All data maintained by licensing agencies, treatment facilities, or other public agencies which relate to reports which, upon investigation, ~~the licensing agency finds~~ *are found* to be ~~unsubstantiated inconclusive~~ may be destroyed four years after the finding was made;

(3) All data maintained by licensing agencies, treatment facilities, or other public agencies which relate to reports which, upon investigation, ~~the licensing agency finds~~ *are found* to be substantiated may be destroyed seven years after the finding was made."

Delete the title and insert:

"A bill for an act relating to the maltreatment of minors or vulnerable adults in certain licensed facilities; providing for notification of parents or guardians after reports of alleged abuse; clarifying certain provisions; amending Minnesota Statutes 1984, sections 13.46, subdivisions 3 and 4; 626.556, subdivisions 10b, 11, and by adding a subdivision; and 626.557, subdivision 12, and by adding a subdivision."

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

House Conferees: (Signed) Brad Stanius, Ken Nelson, Don Valento

Senate Conferees: (Signed) Allan H. Spear, Jim Ramstad, Gene Merriam

Mr. Spear moved that the foregoing recommendations and Conference Committee Report on H.F. No. 213 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. 213 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 44 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	McQuaid	Samuelson
Anderson	DeCramer	Jude	Moe, R.D.	Schmitz
Belanger	Diessner	Kamrath	Olson	Sieloff
Berg	Dieterich	Knutson	Peterson, D.C.	Spear
Bernhagen	Frank	Kroening	Peterson, D.L.	Storm
Bertram	Frederick	Kronebusch	Peterson, R.W.	Stumpf
Brataas	Frederickson	Lantry	Pogemiller	Waldorf
Chmielewski	Freeman	Lessard	Ramstad	Willet
Dahl	Hughes	Luther	Reichgott	

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

SPECIAL ORDER

H.F. No. 1256: A bill for an act relating to natural resources; altering certain provisions regarding water permit fees; providing a penalty for water permit violations; amending Minnesota Statutes 1984, section 105.44, subdivision 10; proposing coding for new law in Minnesota Statutes, chapter 105.

Mr. Peterson, R.W. moved that the amendment made to H.F. No. 1256 by the Committee on Rules and Administration in the report adopted May 17, 1985, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Schmitz moved to amend H.F. No. 1256 as follows:

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 1984, section 104.03, is amended by adding a subdivision to read:

Subd. 2a. [AMUSEMENT PARKS IN FLOOD PLAINS.] Amusement parks that exist before a flood plain is delineated under section 104.03 are exempt from the requirements of sections 104.03 to 104.07 if the amusement park continues to be used as an amusement park within the amusement park boundaries. Notwithstanding any other law, the state is not liable for any damage from flooding to an amusement park operating in a flood plain under this subdivision."

Renumber the sections in sequence

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 1256 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 46 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Johnson, D.E.	Moe, D.M.	Schmitz
Anderson	Diessner	Jude	Moe, R.D.	Sieloff
Belanger	Dieterich	Kamrath	Olson	Spear
Berg	Frank	Kroening	Peterson, D.C.	Storm
Bernhagen	Frederick	Kronebusch	Peterson, D.L.	Waldorf
Bertram	Frederickson	Lantry	Peterson, R.W.	Willet
Brataas	Freeman	Lessard	Pogemiller	
Dahl	Gustafson	Luther	Ramstad	
Davis	Hughes	McQuaid	Reichgott	
DeCramer	Isackson	Mehrkens	Samuelson	

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

SPECIAL ORDER

H.F. No. 1231: A bill for an act relating to crimes; changing reparations provisions for crime victims; amending Minnesota Statutes 1984, sections 611A.53, subdivision 2; and 611A.54.

Ms. Peterson, D.C. moved to amend H.F. No. 1231, as amended pursuant to Rule 49, adopted by the Senate May 16, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 1126.)

Page 2, after line 21, insert:

"Sec. 3. [611A.71] [CITATION.]

Sections 3 to 5 may be cited as the "crime victim ombudsman act."

Sec. 4. [611A.72] [DEFINITIONS.]

Subdivision 1. [DEFINITIONS.] The definitions in this section apply to sections 4 and 5.

Subd. 2. [APPROPRIATE AUTHORITY.] "Appropriate authority" includes anyone who is the subject of a complaint to the crime victim ombudsman or anyone who is in a position to take possible action relating to one who is the subject of a complaint.

Subd. 3. [ELEMENTS OF THE CRIMINAL JUSTICE SYSTEM.] "Elements of the criminal justice system" refers to county attorneys and members of their staff; peace officers; probation and corrections officers; state officials involved in the criminal justice system; and does not include the judiciary.

Subd. 4. [VICTIM.] "Victim" refers to anyone who has been or purports to have been subjected to a criminal act, whether a felony or misdemeanor.

Subd. 5. [VICTIM ASSISTANCE PROGRAM.] "Victim assistance program" refers to any entity which provides or claims to provide services and assistance to victims on a regular, ongoing basis.

Sec. 5. [611A.73] [CRIME VICTIM OMBUDSMAN; CREATION.]

Subdivision 1. [CREATION.] The governor shall appoint a crime victim ombudsman for Minnesota. The ombudsman will serve at the pleasure of the governor. The ombudsman is directly accountable to the commissioner of corrections.

Subd. 2. [DUTIES.] The crime victim ombudsman may investigate com-

plaints concerning possible violation of the rights of crime victims or witnesses provided under chapter 611A, the delivery of victim services by victim assistance programs, the administration of the crime victims reparations act, and other complaints of mistreatment by elements of the criminal justice system or victim assistance programs. The ombudsman shall act as a liaison, when the ombudsman deems necessary, between agencies, either in the criminal justice system or in victim assistance programs, and victims and witnesses. The ombudsman must be made available through the use of a toll free telephone number and shall answer questions concerning the criminal justice system and victim services put to the ombudsman by victims and witnesses in accordance with the ombudsman's knowledge of the facts or law, unless the information is otherwise restricted. The ombudsman shall establish a procedure for referral to the crime victim crisis centers and other victim assistance programs when services are requested by crime victims or deemed necessary by the ombudsman.

Subd. 3. [POWERS.] *The crime victim ombudsman has those powers necessary to carry out the duties set out in subdivision 1, including:*

(a) *The ombudsman may investigate, upon a complaint or upon his or her own initiative, any action of an element of the criminal justice system or a victim assistance program.*

(b) *The ombudsman may request and shall be given access to information pertaining to a complaint, unless the information is otherwise restricted.*

(c) *After completing investigation of a complaint, the ombudsman shall inform in writing the complainant, the investigated person or entity, and other appropriate authorities, of the action taken.*

Subd. 4. [NO COMPELLED TESTIMONY.] *Neither the ombudsman or any member of the ombudsman's staff may be compelled to testify in any court with respect to matter involving the exercise of official duties except as may be necessary to enforce the provisions of this section.*

Subd. 5. [RECOMMENDATIONS.] (a) *If, after duly considering a complaint and whatever material he or she deems pertinent, the ombudsman is of the opinion that the complaint is valid, the ombudsman may recommend action to the appropriate authority.*

(b) *If the ombudsman makes a recommendation to an appropriate authority for action, the authority shall within a reasonable time inform the ombudsman about the action taken or the reasons for not complying with the recommendation.*

Sec. 6. [611A.74] [REPORT TO LEGISLATURE.]

The crime victim ombudsman shall report to the legislature by February 1 of each odd-numbered year on the implementation and administration of the crime victim ombudsman act.

Sec. 7. [EFFECTIVE DATE.]

Sections 3 to 6 are effective January 1, 1986.

The governor shall not appoint a crime victim ombudsman until the commissioner of finance has determined that sufficient money will be available from the federal government to pay all the costs of the crime victim ombuds-

man's office."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "establishing a crime victim ombudsman; providing the ombudsman with authority to investigate complaints with regard to treatment of victims;"

Page 1, line 4, before the period, insert "; proposing coding for new law in Minnesota Statutes, chapter 611A"

The motion prevailed. So the amendment was adopted.

Mr. Kamrath moved to amend H.F. No. 1231, as amended pursuant to Rule 49, adopted by the Senate May 16, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 1126.)

Page 2, line 3, reinstate the stricken semicolon

Page 2, line 4, reinstate the stricken language

Page 2, line 18, reinstate the stricken language

Ms. Peterson, D.C. requested division of the amendment as follows:

First portion:

Page 2, line 3, reinstate the stricken semicolon

Page 2, line 4, reinstate the stricken language

Second portion:

Page 2, line 18, reinstate the stricken language

The question was taken on the adoption of the first portion of the amendment.

The motion prevailed. So the first portion of the amendment was adopted.

The question was taken on the adoption of the second portion of the amendment.

The motion did not prevail. So the second portion of the amendment was not adopted.

H.F. No. 1231 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 49 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hughes	McQuaid	Reichgott
Anderson	DeCramer	Isackson	Mehrkens	Renneke
Belanger	Dicklich	Johnson, D.E.	Moe, R.D.	Samuelson
Berg	Diessner	Jude	Olson	Schmitz
Berglin	Dieterich	Kamrath	Pehler	Spear
Bernhagen	Frank	Kroening	Peterson, D.C.	Storm
Bertram	Frederick	Kronebusch	Peterson, D.L.	Vega
Brataas	Frederickson	Lantry	Peterson, R.W.	Waldorf
Chmielewski	Freeman	Lessard	Petty	Willet
Dahl	Gustafson	Luther	Ramstad	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Petty moved that S.F. No. 607, No. 31 on General Orders, be stricken and laid on the table. The motion prevailed.

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 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. 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; 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; amending Minnesota Statutes 1984, sections 47.20, subdivision 15; 559.21, subdivisions 3, 4, and 6, and by adding subdivisions; 580.031; 583.02; 583.03; 583.04; 583.05; 583.07; and 583.10; repealing Minnesota Statutes 1984, sections 287.02; and 559.21, subdivisions 1, 1a, and 2; and Laws 1983, chapter 215, section 16, as amended.

Senate File No. 567 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. Luther moved that the Senate do not concur in the amendments by the House to S.F. No. 567, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 78, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 78 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

CONFERENCE COMMITTEE REPORT ON H.F. NO. 78

A bill for an act relating to crimes; defining the crime of owning or operating a disorderly house; requiring a mandatory fine for a person owning or operating a disorderly house; amending Minnesota Statutes 1984, section

609.33.

May 16, 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. 78, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 78 be further amended as follows:

Page 2, line 21, after the comma insert *"in addition to any sentence of imprisonment authorized by subdivision 2 which the court may impose,"*

Page 2, line 22, delete *" , and a sentence of "*

Page 2, delete line 23

Page 2, line 24, delete everything before the period

Pages 2 and 3, delete subdivision 5 and insert:

"Subd. 5. [LOCAL REGULATION.] Subdivisions 1 to 4 do not prohibit or restrict a local governmental unit from imposing more restrictive provisions."

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

House Conferees: (Signed) Randolph W. Staten, Peter McLaughlin, Karen Clark

Senate Conferees: (Signed) Linda Berglin, Dean E. Johnson

Ms. Berglin moved that the foregoing recommendations and Conference Committee Report on H.F. No. 78 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. 78 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 49 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kamrath	Olson	Schmitz
Anderson	Dieterich	Kroening	Pehler	Sieloff
Berglin	Frank	Laidig	Peterson, D.C.	Spear
Bernhagen	Frederickson	Lantry	Peterson, R.W.	Storm
Bertram	Freeman	Lessard	Petty	Stumpf
Brataas	Gustafson	Luther	Pogemiller	Taylor
Chmielewski	Hughes	McQuaid	Ramstad	Vega
Dahl	Isackson	Mehrkens	Reichgott	Waldorf
Davis	Johnson, D.E.	Moe, D.M.	Renneke	Willet
DeCramer	Jude	Moe, R.D.	Samuelson	

So the bill, as amended by the Conference Committee, was repassed and

its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

SPECIAL ORDER

H.F. No. 140: A bill for an act relating to financial institutions; providing for deposits by minors and deposits in multi-party accounts; regulating multi-party accounts; amending Minnesota Statutes 1984, sections 48.30; 52.13; 528.02, subdivisions 3, 6, 8, and 11; 528.04; 528.05; 528.06; 528.07; 528.08; 528.09; 528.10; 528.11; 528.13; and 528.15; proposing coding for new law in Minnesota Statutes, chapters 48, 51A, and 52; repealing Minnesota Statutes 1984, sections 51A.26; 51A.28; 528.02, subdivision 15; and 528.12.

Mr. Peterson, R.W. moved to amend H.F. No. 140 as follows:

Page 1, line 22, strike "him" and insert "*the minor*" and strike "his" and insert "*the minor's*"

Page 1, line 27, strike "his"

Page 2, line 19, delete "*his*" and insert "*a minor's*"

Page 2, line 22, delete "*him*" and insert "*the minor*" and delete "*his*" and insert "*the minor's*"

Page 2, line 26, delete "*his*"

Page 2, after line 33, insert:

"Sec. 5. Minnesota Statutes 1984, section 51A.28, is amended to read:

51A.28 [ACCOUNTS OF ADMINISTRATORS, EXECUTORS, GUARDIANS, CUSTODIANS, TRUSTEES, AND OTHER FIDUCIARIES.]

Any association or federal association may accept savings accounts in the name of any administrator, executor, custodian, conservator, guardian, trustee, or other fiduciary for a named beneficiary or beneficiaries. Any such fiduciary shall have power to vote as a member as if the membership were held absolutely, to open and to make additions to, and to withdraw any such account in whole or in part. The withdrawal value of any such account, and earnings thereon, or other rights relating thereto may be paid or delivered, in whole or in part, to such fiduciary without regard to any notice to the contrary as long as such fiduciary is living. The payment or delivery to any such fiduciary or a receipt or acquittance signed by any such fiduciary to whom any such payment or any such delivery of rights is made shall be a valid and sufficient release and discharge of an association for the payment or delivery so made. Whenever a person holding an account in a fiduciary capacity dies and no written notice of the revocation or termination of the fiduciary relationship shall have been given to an association and the association has no written notice of any other disposition of the beneficial estate, the withdrawal value of such account, and earnings thereon, or other rights relating thereto may, at the option of an association, be paid or delivered, in whole or in part, to the beneficiary or beneficiaries. Whenever an account shall be opened by any person, describing himself in opening such account as trustee for another

and no other or further notice of the existence and terms of a legal and valid trust than such description shall have been given in writing to such association, in the event of the death of the person so described as trustee, the withdrawal value of such account or any part thereof, together with the earnings thereon, may be paid to the person for whom the account was thus described to have been opened. The payment or delivery to any such beneficiary, beneficiaries, or designated person, or a receipt or acquittance signed by any such beneficiary, beneficiaries, or designated person for any such payment or delivery shall be a valid and sufficient release and discharge of an association for the payment or delivery so made. *This section does not apply to a P.O.D. account under chapter 528.*"

Page 3, line 2, strike "his" and insert "*a minor's*"

Page 3, line 5, strike "him" and insert "*the minor*" and strike "his" and insert "*the minor's*"

Page 3, line 10, strike "his"

Page 4, line 13, strike "to him" and strike "his" and insert "*the payee*"

Page 4, line 19, strike "he" and insert "*the beneficiary*"

Page 5, line 8, strike "his" and insert "*the party's*"

Page 5, line 33, strike "his"

Page 6, line 22, strike "his" and insert "*the*"

Page 8, after line 23, insert:

"A minor may be a party to a joint account."

Page 11, line 20, strike "his" and insert "*an*"

Page 12, line 2, delete "*51A.28;*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the first semicolon insert "*51A.28;*"

Page 1, line 11, delete "*51A.28;*"

The motion prevailed. So the amendment was adopted.

Mr. Petty moved to amend H.F. No. 140 as follows:

Page 3, after line 30, insert:

"Sec. 7. Minnesota Statutes 1984, section 118.005, is amended to read:

118.005 [DESIGNATION, PROTECTION OF DEPOSIT.]

Subdivision 1. The governing body of every municipality, as defined in section 118.01, which has the power to receive and disburse funds, shall designate as a depository of the funds such national, insured state banks or thrift institutions as defined in section 51A.02, subdivision 23, as it may deem proper.

For purposes of this chapter, a credit union is a thrift institution.

Subd. 2. In the event the bank or insured thrift institution selected as a

depository is a member of the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, *or is insured by the National Credit Union Administration*, the custodian of the funds may deposit an amount not to exceed the maximum amount of insurance on the deposits. In the event it is desired to deposit a greater amount in any bank or thrift institution prior to the deposit the governing body or officer shall require the bank or thrift institution to furnish a bond, executed by a corporate surety company authorized to do business in the state in a sum at least equal to the estimated sum to be deposited in excess of the maximum amount of insurance. In lieu of the bond, the depository shall assign to the custodian of the funds collateral security in accordance with section 118.01."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the second semicolon, insert "providing for deposits of public funds in thrift institutions;"

Page 1, line 5, after the second semicolon, insert "118.005;"

The motion prevailed. So the amendment was adopted.

H.F. No. 140 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 51 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Peterson, D.L.	Storm
Anderson	Dieterich	Laidig	Peterson, R.W.	Stumpf
Benson	Frank	Lantry	Petty	Taylor
Berg	Frederickson	Lessard	Pogemiller	Vega
Bernhagen	Freeman	Luther	Ramstad	Waldorf
Bertram	Gustafson	McQuaid	Reichgott	Wegscheid
Brataas	Hughes	Mehrrens	Renneke	Willet
Chmielewski	Isackson	Moe, R.D.	Samuelson	
Dahl	Johnson, D.E.	Olson	Schmitz	
Davis	Jude	Pehler	Solon	
Dicklich	Kamrath	Peterson, D.C.	Spear	

Mrs. Kronebusch and Mr. Sieloff voted in the negative.

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

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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 186, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 186 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

CONFERENCE COMMITTEE REPORT ON H.F. NO. 186

A bill for an act relating to mental health services; authorizing interstate contracts for mental health services; proposing coding for new law in Minnesota Statutes, chapter 245.

May 20, 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. 186, report that we have agreed upon the items in dispute and recommend as follows:

That the House concur in the Senate amendment and that H.F. No. 186 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [245.50] [INTERSTATE CONTRACTS FOR MENTAL HEALTH SERVICES.]

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

(a) “Bordering state” means Iowa, North Dakota, South Dakota, or Wisconsin.

(b) “Agency or facility” means a public or private hospital, mental health center, or other person or organization authorized by a state to provide mental health services.

Subd. 2. [AUTHORITY.] Unless prohibited by another law and subject to the exceptions listed in subdivision 3, a county board may contract with an agency or facility in a bordering state for mental health services for residents of Minnesota, and a Minnesota mental health agency or facility may contract to provide services to residents of bordering states. A person who receives services in another state under this section is subject to the laws of the state in which services are provided. A person who will receive services in another state under this section must be informed of the consequences of receiving services in another state, including the implications of the differences in state laws.

Subd. 3. [EXCEPTIONS.] A contract may not be entered into under this section for services to persons who:

- (1) are serving a sentence after conviction of a criminal offense;*
- (2) are on probation or parole;*
- (3) are the subject of a presentence investigation;*
- (4) have been committed involuntarily; or*
- (5) will be receiving treatment for chemical dependency.*

Subd. 4. [CONTRACTS.] Contracts entered into under this section must, at a minimum:

- (1) describe the services to be provided;*
- (2) establish responsibility for the costs of services;*
- (3) establish responsibility for the costs of transporting individuals receiving services under this section;*
- (4) specify the duration of the contract;*
- (5) specify the means of terminating the contract;*
- (6) specify the terms and conditions for refusal to admit or retain an individual; and*
- (7) identify the goals to be accomplished by the placement of an individual under this section.*

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

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

House Conferees: (Signed) Tim Sherman, Dominic J. Elioff, Dave Gruenes

Senate Conferees: (Signed) Don B. Samuelson, Patricia Louise Kronebusch, Ronald R. Dicklich

Mr. Samuelson moved that the foregoing recommendations and Conference Committee Report on H.F. No. 186 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. 186 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 50 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Peterson, D.C.	Sieloff
Anderson	Frank	Kronebusch	Peterson, D.L.	Solon
Berg	Frederickson	Laidig	Peterson, R.W.	Spear
Bernhagen	Freeman	Lantry	Petty	Storm
Bertram	Gustafson	Luther	Pogemiller	Stumpf
Brataas	Hughes	McQuaid	Ramstad	Taylor
Chmielewski	Isackson	Mehrkins	Reichgott	Vega
Dahl	Johnson, D.E.	Moe, R.D.	Renneke	Waldorf
Davis	Jude	Olson	Samuelson	Wegscheid
Diessner	Kamrath	Pehler	Schmitz	Willet

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 87: A bill for an act relating to agriculture; removing the limitation on certain fees for state livestock weighing services; amending Minnesota Statutes 1984, section 17A.11.

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

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

CONCURRENCE AND REPASSAGE

Mr. Wegscheid moved that the Senate concur in the amendments by the House to S.F. No. 87 and that the bill be placed on its repassage as amended.

CALL OF THE SENATE

Mr. Wegscheid imposed a call of the Senate for the balance of the proceedings on S.F. No. 87. The Sergeant at Arms was instructed to bring in the absent members.

The question recurred on the motion of Mr. Wegscheid to concur.

The roll was called, and there were yeas 27 and nays 20, as follows:

Those who voted in the affirmative were:

Adkins	Hughes	Langseth	Samuelson	Waldorf
Belanger	Isackson	Lessard	Schmitz	Wegscheid
Chmielewski	Jude	McQuaid	Sieloff	Willet
Davis	Kamrath	Olson	Solon	
DeCramer	Kronebusch	Purfeerst	Stumpf	
Diessner	Laidig	Ramstad	Vega	

Those who voted in the negative were:

Anderson	Brataas	Johnson, D.E.	Pehler	Pogemiller
Berg	Frank	Lantry	Peterson, D.C.	Renneke
Bernhagen	Frederick	Luther	Peterson, D.L.	Spear
Bertram	Frederickson	Moe, D.M.	Peterson, R.W.	Storm

The motion prevailed.

S.F. No. 87: A bill for an act relating to agriculture; removing the limitation on certain fees for state livestock weighing services; providing state-paid insurance benefits for certain retired employees; amending Minnesota Statutes 1984, section 17A.11.

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

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

Mr. Spear moved that those not voting be excused from voting. The motion did not prevail.

The roll was called, and there were yeas 36 and nays 21, as follows:

Those who voted in the affirmative were:

Adkins	Hughes	Langseth	Peterson, R. W.	Vega
Bertram	Isackson	Lantry	Purfeerst	Waldorf
Chmielewski	Johnson, D.E.	Lessard	Reichgott	Wegscheid
Davis	Jude	McQuaid	Samuelson	Willett
DeCramer	Kamrath	Mehrkes	Schmitz	
Diessner	Knaak	Merriam	Sieloff	
Frederickson	Kroening	Olson	Solon	
Gustafson	Kronebusch	Pehler	Stumpf	

Those who voted in the negative were:

Anderson	Dieterich	Luther	Pogemiller	Taylor
Belanger	Frank	Moe, D.M.	Ramstad	
Benson	Frederick	Moe, R.D.	Renneke	
Berg	Freeman	Peterson, D.C.	Spear	
Bernhagen	Laidig	Peterson, D.L.	Storm	

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Dieterich moved that the following members be excused for a Conference Committee on S.F. No. 1249 from 6:45 to 8:00 p.m.:

Messrs. Sieloff, Dieterich and Purfeerst. The motion prevailed.

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 35, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 35: A bill for an act relating to crimes; requiring health professionals to report suspicious wounds to law enforcement authorities; amending Minnesota Statutes 1984, section 626.52.

Senate File No. 35 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 196, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 196: A bill for an act relating to crimes; requiring the county attorney to prosecute failure to report child abuse or neglect; providing for the reporting of child abuse or neglect; defining certain terms; clarifying immunity from liability for reporting child abuse or neglect; providing for concise

summaries of disposition of reports; making technical changes; prescribing penalties; amending Minnesota Statutes 1984, sections 388.051, subdivision 2; and 626.556, subdivisions 1, 2, 3, 4, 4a, 5, 6, 9, and 11.

Senate File No. 196 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 295, and repassed said bill in accordance with the report of the Committee, so adopted.

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; designating Hubbard county as a fiscal agent; amending Minnesota Statutes 1984, section 116J.36, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 471.

Senate File No. 295 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 862, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 862: A bill for an act relating to courts; providing conciliation court with jurisdiction to determine actions brought by educational institutions to recover student loans; amending Minnesota Statutes 1984, sections 487.30, by adding a subdivision; 488A.12, subdivision 3; and 488A.29, subdivision 3.

Senate File No. 862 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 863, and repassed said bill in accordance with the report of the Committee, so

adopted.

S.F. No. 863: A bill for an act relating to commerce; modifying the definition of credit card to include other types of instruments; prescribing criminal penalties for financial transaction card fraud; amending Minnesota Statutes 1984, sections 325G.02, subdivisions 2 and 4; 325G.03; 325G.04; 325G.041; 325G.05; 609.52, subdivisions 1 and 2; and 609.625, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609.

Senate File No. 863 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1176, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1176: A bill for an act relating to children; requiring a new job classification in child protection; requiring continuing education; providing for a joint training program; requiring a report to the legislature; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 626.

Senate File No. 1176 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 251, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 251: A bill for an act relating to nursing homes; establishing an educational program for resident and family advisory councils; authorizing a surcharge on license fees; requiring evaluation and a report to the legislature by the Minnesota board on aging; appropriating money; amending Minnesota Statutes 1984, sections 256B.421, subdivision 8; and 256B.431, subdivision 2b; proposing coding for new law in Minnesota Statutes, chapter 144A.

Senate File No. 251 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 647, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 647: A bill for an act relating to education; Minnesota Educa-

tional Computing Corporation; removing some limits on its powers; providing for compliance with certain bidding laws for management computing services; amending Minnesota Statutes 1984, sections 119.04, subdivision 2; 119.05, subdivision 2; and 119.07.

Senate File No. 647 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 650, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 650: A bill for an act relating to crimes; increasing the penalty for an offense committed against a transit provider or operator when violence or a threat of violence is not involved; amending Minnesota Statutes 1984, section 609.855, subdivisions 3 and 4.

Senate File No. 650 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 459, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 459: A bill for an act relating to probate; adopting provisions of the uniform probate code and clarifying laws relating to intestate succession, spouse's elective share, and omitted spouses and children; clarifying provisions relating to the award of costs in guardianship and conservatorship proceedings; providing for the payment of reasonable fees and expenses for certain guardians and conservators; amending Minnesota Statutes 1984, sections 257.34, subdivision 1; 525.13; 525.145; and 525.703; proposing coding for new law in Minnesota Statutes, chapter 524; repealing Minnesota Statutes 1984, sections 525.16; 525.17; 525.171; 525.172; 525.173; 525.20; 525.201; 525.202; 525.212 to 525.216.

Senate File No. 459 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 628 and 1175.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

FIRST READING OF HOUSE BILLS

The following bills were read the first time.

H.F. No. 628: A bill for an act relating to game and fish; enhancement of fish and wildlife; planning and implementation of wildlife management; conservation of marginal agricultural lands; habitat management; aspen recycling program; appropriating money; amending Minnesota Statutes 1984, sections 97.49, subdivision 3; 97.55, by adding a subdivision; 98.52, by adding a subdivision; 290.431; and 296.421, subdivisions 4 and 5; Laws 1985, chapter 4, section 10; proposing coding for new law in Minnesota Statutes, chapters 40, 84, and 88.

Mr. Peterson, R.W. moved that H.F. No. 628 be laid on the table. The motion prevailed.

H.F. No. 1175: A bill for an act relating to children; expanding the definition of a medically neglected child; providing for intervention by commissioner of human services after a report of medical neglect; requiring the local agency to report and initiate proceedings in cases of medical neglect; amending Minnesota Statutes 1984, sections 260.015, subdivision 10; 626.556, subdivisions 2, 10, and by adding a subdivision.

Mr. Chmielewski moved that H.F. No. 1175 be laid on the table. The motion prevailed.

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 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. 19: A bill for an act relating to traffic regulations; regulating traffic at unmarked T-intersections and Y-intersections; amending Minnesota Statutes 1984, section 169.20, subdivision 1.

Senate File No. 19 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

CONCURRENCE AND REPASSAGE

Mr. Wegscheid moved that the Senate concur in the amendments by the House to S.F. No. 19 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 19 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Isackson	Luther	Renneke
Anderson	Dicklich	Johnson, D.E.	McQuaid	Samuelson
Belanger	Diessner	Jude	Moe, D.M.	Schmitz
Benson	Dieterich	Kamrath	Moe, R.D.	Sieloff
Berg	Frank	Kroening	Olson	Spear
Bernhagen	Frederick	Kronebusch	Peterson, D.L.	Storm
Bertram	Frederickson	Laidig	Peterson, R.W.	Taylor
Brataas	Freeman	Langseth	Purfeerst	Waldorf
Chmielewski	Gustafson	Lantry	Ramstad	Wegscheid
Davis	Hughes	Lessard	Reichgott	Willett

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1249 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 1249

A bill for an act relating to horse racing; making certain technical and clarifying amendments; providing for certain name changes; modifying certain license revocation and suspension procedures; modifying the amounts deducted by the licensee for purses; appropriating money; amending Minnesota Statutes 1984, sections 240.01, subdivision 10; 240.02, subdivision 5; 240.03; 240.04; 240.05, subdivision 2; 240.06, subdivision 2; 240.08, subdivisions 1 and 5; 240.09, subdivisions 2, 3, and 6; 240.13, subdivisions 5 and 6; 240.14, subdivision 1; 240.15, subdivisions 5 and 6; 240.16, subdivisions 1 and 6; 240.18; 240.22; 240.24; 240.25, subdivisions 1 and 4; 240.29; 541.20; and 541.21; repealing Minnesota Statutes 1984, section 624.02.

May 20, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1249, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 1249 be further amended as follows:

Page 6, line 31, delete "90" and insert "30"

Page 6, line 34, after the period insert "*The commission may summarily suspend a license for more than 30 days prior to a contested case hearing where it is necessary to insure the integrity of racing. A contested case hearing must be held within 20 days of the summary suspension and the administrative law judge's report must be issued within 20 days from the close of the hearing record. In all cases involving summary suspension the commission must issue its final decision within 30 days from receipt of the report of the administrative law judge and subsequent exceptions and argument under section 14.61.*"

Page 10, line 18, delete the new language and reinstate the old language

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

Senate Conferees: (Signed) Clarence M. Purfeerst, Neil Dieterich, Ron Sieloff

House Conferees: (Signed) Elton R. Redalen, Ben P. Omann, Richard Kostohryz

Mr. Purfeerst moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1249 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 1249 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 45 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Jude	Mehrkens	Renneke
Anderson	Frank	Kamrath	Moe, D.M.	Samuelson
Belanger	Frederick	Kroening	Moe, R.D.	Schmitz
Benson	Frederickson	Kronebusch	Olson	Sieloff
Bernhagen	Freeman	Laidig	Peterson, D.L.	Storm
Bertram	Gustafson	Langseth	Peterson, R.W.	Taylor
Chmielewski	Hughes	Lantry	Purfeerst	Waldorf
Davis	Isackson	Luther	Ramstad	Wegscheid
DeCramer	Johnson, D.E.	McQuaid	Reichgott	Willet

Messrs. Diessner and Pehler voted in the negative.

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

RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

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

H.F. No. 1227: Ms. Peterson, D.C.; Messrs. Spear and Johnson, D.E.

H.F. No. 1070: Ms. Peterson, D.C.; Messrs. Petty and Johnson, D.E.

S.F. No. 567: Messrs. Luther, Freeman and Ramstad.

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

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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 315, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 315 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

CONFERENCE COMMITTEE REPORT ON H.F. No. 315

A bill for an act relating to local government; removing the restriction on the number of mills certain towns may levy to provide fire protection for special fire protection districts; authorizing the city of Carlton to issue general obligation bonds to finance the acquisition and betterment of a new fire hall and permitting participation by other local government units; amending Minnesota Statutes 1984, section 368.85, subdivision 6.

May 20, 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. 315, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 315 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1984, section 161.14, subdivision 6, is amended to read:

Subd. 6. [VETERANS' EVERGREEN MEMORIAL DRIVE.] (a) That portion of road No. 185, known as trunk highway No. 23 in St. Louis, Pine and Carlton Counties, is hereby named and designated “Veterans' Evergreen Memorial Drive” in memory of World War veterans of St. Louis, Pine, and Carlton counties.

(b) The commissioner shall install a bronze plaque with an inscription to read, “In grateful memory of all men and women from Carlton, Pine, and St. Louis Counties who served in World War I, World War II, Korea, Vietnam, and all future conflicts.

Sec. 2. Minnesota Statutes 1984, section 368.85, subdivision 6, is amended to read:

Subd. 6. [TAX LEVY.] ~~It shall thereafter be the duty of The town board shall annually to thereafter levy a tax in such an amount as may be necessary but not exceeding one and two-thirds mills on the dollar of the assessed valuation of all property located within such the special fire protection district to be used for the purpose of providing provide fire protection for such special fire protection the district, but this limit shall not apply to a special~~

~~fire protection district abutting a city of the first or second class, or for the payment of a deficit from a prior fire contract. Such~~ The tax, with a certified copy of the resolution establishing the district, shall be certified by the town board to the county auditor who shall ~~thereupon~~ spread the authorized tax against the property located within ~~such special fire protection~~ the district; ~~and. The same tax shall be collected as other taxes.~~

Sec. 3. [ROSEVILLE; PORT AUTHORITY.]

The governing body of the city of Roseville may exercise all the powers of a port authority provided by Minnesota Statutes, chapter 458.

Sec. 4. [WHITE BEAR LAKE; PORT AUTHORITY.]

The governing body of the city of White Bear Lake may exercise all the powers of a port authority provided by Minnesota Statutes, chapter 458.

Sec. 5. [DIVISIONS.]

Subdivision 1. For the purpose of this act the terms defined in this section have the following meanings.

Subd. 2. "City" means the cities of Sartell, Sauk Rapids, St. Cloud, Isle, Mora, Becker and Waite Park.

Subd. 3. "Special services" means all services rendered or contracted for by the city, including, but not limited to:

(a) the repair, maintenance, operation, and construction of any improvements authorized by Minnesota Statutes, section 429.021;

(b) parking services rendered or contracted for by the city; and

(c) any other service provided to the public by the city that is authorized by law or charter provision.

Special services do not include any service that is ordinarily provided throughout the city from general fund revenues of the city unless an increased level of the service is provided in the special service district.

Subd. 4. "Special service district" means a defined area within the city where special services are rendered and the costs of the special services are paid from revenues collected from taxes and service charges imposed within that area.

Subd. 5. "Assessed value" means the assessed value as most recently certified by the commissioner of revenue before the effective date of the ordinance or resolution adopted pursuant to section 6 or 7.

Subd. 6. "Land area" means the land area in the district which is subject to property taxation.

Sec. 6. [ESTABLISHMENT OF SPECIAL SERVICE DISTRICT.]

Subdivision 1. [ORDINANCE.] The governing body of the city may adopt an ordinance establishing a special service district. Only property which is zoned for commercial, business, or industrial use under a municipal zoning ordinance may be included in a district. The ordinance shall describe with particularity the area within the city to be included in the district and the special services to be furnished in the district. The ordinance may not be

adopted until after a public hearing has been held on the question. Notice of the hearing shall include:

(a) the time and place of hearing;

(b) a map showing the boundaries of the proposed district; and

(c) a statement that all persons owning property in the proposed district will be given opportunity to be heard at the hearing.

Subd. 2. [NOTICE.] Notice of the hearing shall be given by publication in two issues of the official newspaper of the city. The two publications shall be a week apart and the hearing shall be held at least three days after the last publication. Not less than ten days before the hearing, notice shall also be mailed to the owner of each parcel within the area proposed to be included in the district. For the purpose of giving mailed notice, owners shall be those shown on the records of the county auditor. Other records may be used to supply the necessary information. For properties which are tax exempt or subject to taxation on a gross earnings basis in lieu of property tax and are not listed on the records of the county auditor, the owners shall be ascertained by any practicable means and mailed notice given them. At the public hearing any person affected by the proposed district may be heard orally in respect to any issues relevant to the proposed district. The hearing may be adjourned from time to time and the ordinance establishing the district may be adopted at any time within six months after the date of the conclusion of the hearing by a vote of the majority of the governing body of the city.

Sec. 7. [TAXING AUTHORITY; NOTICE AND HEARING REQUIREMENTS.]

Subdivision 1. [TAXES; HEARING.] Ad valorem taxes may be levied on taxable nonhomestead property or service charges may be imposed by the city within the special service district at a rate or amount sufficient to produce the revenues required to provide special services within the district. To determine the appropriate mill rate, nonhomestead taxable property or value shall be determined without regard to captured or original assessed value under Minnesota Statutes, section 273.76 or to the distribution or contribution value under Minnesota Statutes, section 473F.08. Taxes and service charges shall not be imposed to finance a special service if the service is ordinarily provided by the city from its general fund revenues unless the service is provided in the district at an increased level, in which case only an amount to pay for the increased level may be imposed. A service charge shall not be imposed on the receipts from the sale of intoxicating liquor, food, or lodging. Before the levy of taxes or imposition of service charges in a district, for each calendar year, notice shall be given and hearing shall be held pursuant to section 6 and notice shall also be mailed to any individual or business organization subject to a service charge. For purposes of this section the notice shall also include:

(a) A statement that all interested persons will be given an opportunity to be heard at the hearing regarding a proposed tax levy or service charge.

(b) The estimated cost of improvements to be paid for in whole or in part by taxes or service charges imposed pursuant to this section, the estimated cost of operating and maintaining the improvements during the first year after completion of the improvements, the proposed method and source of financ-

ing the improvements and the annual cost of operating and maintaining the improvements.

(c) *The proposed rate or amount of taxes to be extended or the proposed service charge to be imposed in the district during the calendar year and the nature and character of special services to be rendered in the district during the calendar year.*

(d) *A statement that the petition requirements of section 12 have either been met or do not apply to the proposed taxes or service charge.*

Within six months of the public hearing, the city may adopt a resolution levying a tax or imposing a service charge within the district not exceeding the amount or rate expressed in the notice issued pursuant to this section.

Subd. 2. [EXEMPTION OF CERTAIN PROPERTIES FROM TAXES.] *Property exempted from taxation by Minnesota Statutes, section 272.02, is exempt from any ad valorem taxes imposed pursuant to this act.*

Subd. 3. [LEVY LIMIT EXEMPTION.] *Taxes and service charges imposed pursuant to this act shall not be included in the calculation of levies or limits on levies provided by other law or home rule charter provision.*

Subd. 4. [EXCLUSION FROM HOMESTEAD CREDIT.] *Taxes levied under this section shall not be reduced pursuant to Minnesota Statutes, section 273.13, subdivision 6, 7, 7d, or 14a.*

Sec. 8. [ENLARGEMENT OF SPECIAL SERVICE DISTRICTS.]

Boundaries of a special service district may be enlarged only after hearing and notice as provided in sections 6 and 7. Notice shall be served in the original district and in the area proposed to be added to the district. Property added to the district shall be subject to all taxes levied and service charges imposed within the district after the property becomes a part of the district. The petition requirement in section 12 and the veto power in section 13 shall only apply to owners, individuals, and business organizations in the area proposed to be added to the district.

Sec. 9. [COLLECTION OF TAXES.]

Ad valorem taxes levied within a special service district shall be collected and paid over as other ad valorem taxes, but shall be spread only upon the assessed value of property described in the ordinance. Service charges imposed shall be collected as provided by ordinance. Taxes collected pursuant to this act shall not be included in computations under Minnesota Statutes, section 273.76, chapter 473F, or any other law that applies to general ad valorem levies.

Sec. 10. [BONDS.]

At any time after a contract for the construction of all or part of an improvement authorized pursuant to this act has been entered into or the work has been ordered done by day labor, the governing body of the city may issue obligations, including certificates of indebtedness, in the amount it deems necessary to defray in whole or in part the expense incurred and estimated to be incurred in making the improvement, including every item of cost from inception to completion and all fees and expenses incurred in connection with the improvement or the financing. The obligations shall be payable

primarily out of the proceeds of the tax levied pursuant to section 7, or from any other special assessment or nontax revenues available to be pledged for their payment under charter or other statutory authority, or from any two or more of such sources. The governing body may, by resolution adopted prior to the sale of obligations, pledge the full faith, credit, and taxing power of the municipality to assure payment of the principal and interest if the proceeds of the tax levy in the district are insufficient to pay the principal and interest. The amount of any taxes that are required to be levied outside of the territory of the special services district or taken from the general funds of the municipality to pay principal and interest on the obligations shall be reimbursed to the municipality from taxes levied within the special services district. The obligations shall be issued in accordance with Minnesota Statutes, chapter 475, except that an election shall not be required, and the amount of the obligations shall not be included in determining the net debt of the city under the provisions of any law or charter limiting debt.

Sec. 11. [ADVISORY BOARD.]

The governing body of the city may create and appoint an advisory board for each special service district in the city to advise the governing body in connection with the construction, maintenance, and operation of improvements, and the furnishing of special services in a district. The advisory board shall make recommendations to the governing body on the requests and complaints of owners, occupants, and users of property within the district and members of the public. Before the adoption of any proposal by the governing body to provide services or impose taxes or service charges within the district, the advisory board of the district shall have an opportunity to review and comment upon the proposal.

Sec. 12. [PETITION REQUIRED.]

No action may be taken pursuant to section 6 unless owners of 15 percent or more of the land area of the proposed special service district and owners of 15 percent or more of the assessed value of the proposed district file a petition requesting a public hearing on the proposed action with the city clerk. No action may be taken pursuant to section 7 to impose an ad valorem tax unless owners of 15 percent or more of the land area subject to a proposed tax and owners of 15 percent or more of the assessed value subject to a proposed tax file a petition requesting a public hearing on the proposed action with the city clerk. No action may be taken pursuant to section 7 to impose a service charge unless 15 percent or more of the individual or business organizations subject to the proposed service charge file a petition requesting a public hearing on the proposed action with the city clerk. If the boundaries of a proposed district are changed or the land area or assessed value subject to a tax or the individuals or business organizations subject to a service charge are changed after the public hearing, a petition meeting the requirements of this section must be filed with the city clerk before the ordinance establishing the district or resolution imposing the tax or service charge may become effective.

Sec. 13. [VETO POWER OF OWNERS.]

Subdivision 1. [NOTICE OF RIGHT TO FILE OBJECTIONS.] Except as provided in section 14, the effective date of any ordinance or resolution adopted pursuant to sections 6 and 7 shall be at least 45 days after it is

adopted. Within five days after adoption of the ordinance or resolution, a copy of the ordinance or resolution shall be mailed to the owner of each parcel included in the special service district and any individual or business organization subject to a service charge in the same manner that notice is mailed pursuant to section 6. The mailing shall include a notice that owners subject to a tax and individuals and business organizations subject to a service charge have a right to veto the ordinance or resolution by filing the required number of objections with the city clerk before the effective date of the ordinance or resolution.

Subd. 2. [REQUIREMENT FOR VETO.] If owners of 35 percent of the land area in the district or owners of 35 percent of the assessed value in the district file an objection to the ordinance adopted by the city pursuant to section 6 with the city clerk before the effective date of the ordinance, the ordinance shall not become effective. If owners of 35 percent of the land area subject to a tax or owners of 35 percent of the assessed value subject to a tax file an objection to the resolution adopted levying an ad valorem tax pursuant to section 7 with the city clerk before the effective date of the resolution, the resolution shall not become effective. If 35 percent of individuals and business organizations subject to a service charge file an objection to the resolution adopted imposing a service charge pursuant to section 7 with the city clerk before the effective date of the resolution, the resolution shall not become effective.

Sec. 14. [EXCLUSION FROM PETITION REQUIREMENTS AND VETO POWER.]

The petition requirement of section 12 and the right of owners and those subject to a service charge to veto a resolution in section 13 do not apply to second or subsequent years' applications of a tax or service charge which is authorized to be in effect for more than one year pursuant to a resolution which has met the petition requirements of section 12 and which has not been vetoed under section 13 for the first year's application. A resolution levying a tax or imposing a service charge for more than one year shall not be adopted unless the notice of public hearing required by section 7 and the notice mailed with the adopted resolution pursuant to section 13 include the following information:

(a) In the case of improvements, the maximum rate or amount of taxes to be levied or the maximum service charge to be imposed in any year and the maximum number of years the taxes will be levied or service charges imposed to pay for the improvement.

(b) In the case of operating and maintenance services, the maximum rate or amount of taxes to be levied or the maximum service charge to be imposed in any year and the maximum number of years, or a statement that the tax will be imposed for an indefinite number of years, the taxes will be levied or service charges imposed to pay for operation and maintenance services.

The resolution may provide that the maximum amount of tax to be levied or maximum service charge to be imposed in any year will increase or decrease from the maximum amount authorized in the preceding year based on an indicator of increased cost or a percentage amount established by the resolution.

Sec. 15. [LOCAL APPROVAL.]

Section 3 is effective for the city of Roseville the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Roseville.

Section 4 is effective for the city of White Bear Lake the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of White Bear Lake.

Sec. 16. [EFFECTIVE DATE.]

Sections 5 to 14 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to local government; removing the restriction on the number of mills certain towns may levy to provide fire protection for special fire protection districts; authorizing the city of Carlton to issue general obligation bonds to finance the acquisition and betterment of a new fire hall and permitting participation by other local government units; granting the city of Roseville and the city of White Bear Lake located in Ramsey county the powers of a port authority; permitting the establishment of special service districts in the cities of Sartell, Sauk Rapids, St. Cloud, Isle, Mora, Becker, and Waite Park; amending Minnesota Statutes 1984, sections 161.14, subdivision 6; and 368.85, subdivision 6."

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

House Conferees: (Signed) Lynn H. Becklin, Paul Anders Ogren, Douglas W. Carlson

Senate Conferees: (Signed) Betty A. Adkins, Florian Chmielewski, Jim Gustafson

Mrs. Adkins moved that the foregoing recommendations and Conference Committee Report on H.F. No. 315 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. 315 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 45 and nays 6, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Berg	Dieterich	Moe, D.M.	Peterson, R.W.	Schmitz
DeCramer				

So the bill, as amended by the Conference Committee, was repassed and

its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Samuelson moved that H.F. No. 658 be taken from the table. The motion prevailed.

H.F. No. 658: A bill for an act relating to health; regulating community health services; amending Minnesota Statutes 1984, sections 145.912, subdivision 15; 145.917, subdivisions 2, 3, and 4; 145.921; and 145.922; repealing Minnesota Statutes 1984, section 145.912, subdivisions 16, 17, and 18.

SUSPENSION OF RULES

Mr. Samuelson 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. 658 and that the rules of the Senate be so far suspended as to give H.F. No. 658 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 658 was read the second time.

Mr. Samuelson moved to amend H.F. No. 658 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 658, and insert the language after the enacting clause, and the title, of S.F. No. 494, the first engrossment.

The motion prevailed. So the amendment was adopted.

H.F. No. 658 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Samuelson moved that S.F. No. 494, No. 50 on General Orders, be stricken and laid on the table. The motion prevailed.

Mr. Mehrkens moved that S.F. No. 116, No. 33 on General Orders, be stricken and re-referred to the Committee on Governmental Operations. The

motion prevailed.

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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 729, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 729 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

CONFERENCE COMMITTEE REPORT ON H.F. NO. 729

A bill for an act relating to retirement; providing for an increased redemption benefit option for participants in the Hennepin county supplemental retirement program; allowing withdrawal from the program; amending Laws 1969, chapter 950, sections 1, subdivision 1, as amended; and 4, as amended; and Laws 1983, chapter 100, section 1.

May 17, 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. 729, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H.F. No. 729 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 69.011, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] Unless the language or context clearly indicates that a different meaning is intended, the following words and terms shall for the purposes of this chapter and chapters 423, 424 and 424A have the meanings ascribed to them:

(a) "Commissioner" means the commissioner of revenue.

(b) "Municipality" means any home rule charter or statutory city, organized town or park district subject to chapter 398, and the University of Minnesota.

(c) "Minnesota Firetown Premium Report" means a form prescribed by the commissioner containing space for reporting by insurers of fire, lightning, sprinkler leakage and extended coverage premiums received upon risks

located or to be performed in this state less return premiums and dividends.

(d) "Firetown" means the area serviced by any municipality having a qualified fire department or a qualified incorporated fire department having a subsidiary volunteer firefighters relief association.

(e) "Assessed Property Valuation" means latest available assessed value of all property in a taxing jurisdiction, whether the property is subject to taxation, or exempt from ad valorem taxation obtained from information which appears on abstracts filed with the commissioner of revenue or equalized by the state board of equalization.

(f) "Minnesota Aid to Police Premium Report" means a form prescribed by the commissioner for reporting by each fire and casualty insurer of all premiums received upon direct business received by it in this state, or by its agents for it, in cash or otherwise, during the preceding calendar year, with reference to insurance written for insuring against the perils contained in auto liability-bodily injury, auto liability-property damage, and auto physical damage as reported in the Minnesota business schedule of the fire and casualty insurance companies annual financial statement which each insurer is required to file with the commissioner in accordance with the governing laws or regulations less return premiums and dividends:

(g) "Peace officer" means any person:

(1) Whose primary source of income derived from wages is from direct employment by a municipality or county as a law enforcement officer on a full time basis of not less than 30 hours per week;

(2) Who has been employed for a minimum of six months prior to December 31 preceding the date of the current year's certification pursuant to subdivision 2, clause (b);

(3) Who is sworn to enforce the general criminal laws of the state and local ordinances;

(4) Who is licensed by the peace officers standards and training board and is authorized to arrest with a warrant; and

(5) Who is a member of a local police relief association to which section 69.77 applies or the public employees police and fire fund.

(h) "Full time equivalent number of peace officers providing contract service" means the integral or fractional number of peace officers which would be necessary to provide the contract service if all peace officers providing service were employed on a full time basis as defined by the employing unit and the municipality receiving the contract service.

(i) "Retirement benefits other than a service pension" means any disbursement authorized pursuant to section 424.05, subdivision 3, clauses (2), (3) and (4).

(j) "Municipal clerk, municipal clerk-treasurer or county auditor" means the person who was elected or appointed to the specified position or, in the absence of the person, another person who is designated by the applicable governing body. In a park district the clerk is the secretary of the board of park district commissioners. *In the case of the University of Minnesota, the clerk is that official designated by the board of regents.*

Sec. 2. Minnesota Statutes 1984, section 69.26, is amended to read:

69.26 [RELIEF ASSOCIATIONS SELF GOVERNING.]

Subdivision 1. Each relief association shall be organized, operated, and maintained in accordance with its own articles of incorporation and bylaws, by firefighters, as defined in section 69.27, who are members of the fire departments. Each association shall have power to regulate its own management and its own affairs, and all additional corporate powers which may be necessary or useful; subject to the regulations and restrictions of the laws of this state pertaining to corporations not inconsistent herewith.

Subd. 2. Each relief association may provide for the participation of retired members of the fire departments in the governance of the association as each association deems appropriate. The bylaws of the associations may be amended to provide retired members the right to vote, to be elected to the board and to pay dues.

Sec. 3. Minnesota Statutes 1984, section 353.01, subdivision 2a, is amended to read:

Subd. 2a. [INCLUDED EMPLOYEES.] The following persons are included in the meaning of "public employee":

- (a) Elected or appointed officers and employees of elected officers.
- (b) District court reporters.
- (c) Officers and employees of the public employees retirement association.
- (d) Employees of the League of Minnesota Cities.
- (e) Officers and employees of public hospitals, owned or operated by or an integral part of, any governmental subdivision or governmental subdivisions.
- (f) Employees of a school district who receive separate salaries for driving their own buses.
- (g) Employees of the Association of Minnesota Counties.
- (h) Employees of the Metropolitan Inter-County Association.
- (i) Employees of the Minnesota Municipal Utilities Association.
- (j) Employees of the metropolitan airports commission if employment initially commences on or after July 1, 1979.
- (k) Employees of the Minneapolis employees retirement fund, if employment initially commences on or after July 1, 1979.
- (l) Employees of the Range Association of Municipalities and Schools.
- (m) Employees of the soil and water conservation districts.
- (n) Employees of a county historical society.

Sec. 4. Minnesota Statutes 1984, section 353.34, is amended by adding a subdivision to read:

Subd. 3b. [DEFERRED ANNUITY; CERTAIN FORMER MUNICIPAL COURT JUDGES.] Any person who qualified for membership in the asso-

ciation solely because of service as a municipal court judge, whose service as a municipal court judge was terminated by Laws 1971, chapter 951, section 9, and who elected to leave his or her accumulated deductions in the fund to qualify for a deferred annuity, may receive a deferred early retirement annuity under section 353.30, subdivisions 1, 1a, 1b, or 1c, notwithstanding the law in effect on the date of his or her termination of public service.

Sec. 5. Minnesota Statutes 1984, section 423A.02, is amended to read:

423A.02 [LOCAL POLICE AND FIREFIGHTERS' RELIEF ASSOCIATION AMORTIZATION STATE AID.]

Subdivision 1. Any municipality in which is located a local police or salaried firefighters' relief association to which the provisions of section 69.77, apply, unless the municipality has adopted a municipal resolution retaining the local relief association pursuant to section 423A.01, subdivision 1, shall be entitled upon annual application on or before the date specified as required by the commissioner of finance to receive local police and salaried firefighters' relief association amortization state aid if the municipality and the appropriate relief association both comply with the applicable provisions of sections 69.031, subdivision 5, 69.051, subdivisions 1 and 3, and 69.77. The amount of local police and salaried firefighters' relief association amortization state aid to which a municipality is entitled annually shall be an amount equal to the level annual dollar amount required to amortize, by December 31, 2010, the unfunded accrued liability of the special fund of the appropriate relief association as reported in the most recent December 31, 1978, actuarial valuation of the relief association prepared pursuant to Minnesota Statutes 1978, sections 356.215 and 356.216, and filed with the commissioner of commerce on the date of final enactment of Laws 1980, chapter 607, reduced by the dollar amount required to pay the interest on the unfunded accrued liability of the special fund of the relief association for the calendar year next following the date of final enactment of Laws 1980, chapter 607, 1981 set at the rate specified in Minnesota Statutes 1978, section 356.215, subdivision 4, clause (4). Payment of local police and salaried firefighters' relief association amortization state aid to municipalities shall be made directly to the municipalities involved in four equal installments on March 15, July 15, September 15 and November 15 annually. Upon receipt of the local police and salaried firefighters' relief association amortization state aid, the municipal treasurer shall transmit the aid amount to the treasurer of the local relief association for immediate deposit in the special fund of the relief association. The commissioner of finance shall prescribe and periodically revise the form for and content of the annual application for the local police and salaried firefighters' relief association amortization state aid. The amounts required to pay the local police and salaried firefighters' relief association amortization state aid are hereby annually appropriated from the general fund to the commissioner of finance.

Subd. 2. Any municipality which has qualified for amortization state aid under subdivision 1 shall continue upon application to be entitled to receive amortization state aid and supplementary amortization state aid authorized by Laws 1984, chapter 564, section 48, after the local police or salaried firefighters' relief association has been consolidated into the public employees police and fire fund.

Sec. 6. [423A.07] [ADDITIONS TO BOARD.]

Notwithstanding any other law, each local police and salaried firefighters relief association may amend its bylaws and its articles of incorporation, as necessary, to provide for the inclusion of retirees on its board.

Upon adoption of the amendments, the relief association must file a copy of the amended bylaws with the executive secretary of the legislative commission on pensions and retirement. A relief association amending its articles of incorporation must comply with any statutory requirements pertaining to the filing of amended articles of incorporation.

Sec. 7. Minnesota Statutes 1984, section 423A.15, is amended to read:

423A.15 [EFFECT OF PROVISIONS FOR EXISTING DISABILITY BENEFIT RECIPIENTS.]

The provisions of section 423A.06 shall apply to any member of any applicable local relief association in active service on or after March 24, 1982. The provisions of section 423A.11 shall apply to any person receiving a disability benefit from a local relief association on or after March 24, 1982. The provisions of section 423A.12 shall apply to any person who returns to active employment as a police officer or firefighter, whichever is applicable, after receipt of a permanent disability benefit on or after March 24, 1982. The provisions of section 423A.14 shall apply to any person who first commences receipt of a disability benefit after March 24, 1982.

Sec. 8. Minnesota Statutes 1984, section 424A.02, subdivision 6, is amended to read:

Subd. 6. [PAYMENT OF SERVICE PENSIONS; NONASSIGNABILITY.] The method of calculating service pensions shall be applied uniformly for all years of active service and credit shall be given for all years of active service, except as otherwise provided in this section. No service pension shall be paid to any person while the person remains an active member of the respective fire department, and no person who is receiving a service pension shall be entitled to receive any other benefits from the special fund of the relief association. No service pension or ancillary benefits paid or payable from the special fund of a relief association to any person receiving or entitled to receive a service pension or ancillary benefits shall be subject to garnishment, judgment, execution or other legal process, except as provided in section 518.611. No person entitled to a service pension or ancillary benefits from the special fund of a relief association may assign any service pension or ancillary benefit payments, nor shall the association have the authority to recognize any assignment or pay over any sum which has been assigned.

Sec. 9. Minnesota Statutes 1984, section 424A.02, subdivision 9, is amended to read:

Subd. 9. [LIMITATION ON ANCILLARY BENEFITS.] Any relief association may pay ancillary benefits which would constitute an authorized disbursement as specified in section 424A.05 subject to the following limitations:

(a) With respect to a relief association in which governing bylaws provide for a lump sum service pension to a retiring member, no ancillary benefit may

be paid to any former member or paid to any person on behalf of any former member after the former member (1) terminates active service with the fire department and active membership in the relief association; and (2) commences receipt of a service pension as authorized pursuant to this section; and

(b) With respect to any relief association, no ancillary benefit paid or payable to any member, to any former member, or to any person on behalf of any member or former member, may exceed in amount the total earned service pension of the member or former member. The total earned service pension ~~is~~ *shall be* calculated using the service pension amount specified in the bylaws of the relief association and the years of service credited to the member or former member. The years of service ~~are~~ *shall be* determined as of (1) the date the member or former member became entitled to the ancillary benefit; or (2) the date the member or former member died entitling a survivor or the estate of the member or former member to an ancillary benefit. The ~~survivor~~ *ancillary benefit may* ~~shall~~ be calculated (1) without regard to whether the member or former member had attained the minimum amount of service and membership credit specified in the governing bylaws; and (2) without regard to the percentage amounts specified in subdivision 2; except that the bylaws of any relief association may provide for the payment of a survivor benefit in an amount not to exceed five times the yearly service pension amount specified in the bylaws on behalf of any member who dies before having performed five years of active service in the fire department with which the relief association is affiliated.

Sec. 10. Minnesota Statutes 1984, section 424A.02, is amended by adding a subdivision to read:

Subd. 12. [TRANSFER OF SERVICE CREDIT TO NEW DISTRICT.] Notwithstanding the requirements of subdivision 1 or any other law, a member of a fire department which is disbanded upon formation of a fire district to serve substantially the same geographic area, who serves as an active firefighter with the new district fire department, and is a member of the district firefighters' relief association shall be entitled to a nonforfeitable service pension from the new relief association upon completion of a combined total of 20 years active service in the disbanded and the new departments. The amount of the service pension shall be based upon years of service in the new department only, and shall be in an amount equal to the accrued liability for the appropriate years of service calculated in accordance with section 69.772, subdivision 2.

Sec. 11. Laws 1969, chapter 950, section 1, subdivision 1, as amended by Laws 1978, chapter 720, section 19, and Laws 1982, chapter 450, section 1, is amended to read:

Subdivision 1. [ELIGIBILITY FOR COVERAGE.] Any person who was employed by the county of Hennepin or its agencies, boards, commissions, authorities and committees prior to the effective date of this act April 14, 1982, as an employee or an officer in the classified service as defined in Laws 1965, Chapter 855, and amendatory and supplemental acts, or as an employee in the unclassified service, and who has served for five years as a county employee or an officer in the classified service, or as a county employee in the unclassified service, which need not necessarily be continuous,

and which shall include time served as a county employee prior to June 8, 1965, if the person is an employee in the classified service, shall be entitled to elect to ~~retain or obtain; whichever is applicable;~~ coverage by the Hennepin county supplemental retirement program. The election to ~~retain or obtain~~ coverage may be exercised only once. ~~The election to retain coverage shall be exercised within 90 days of the effective date of this act. The election to obtain coverage and shall be exercised within 30 days of the date on which the person first becomes entitled to elect to obtain coverage. No person hired, rehired, or reinstated by the county as an employee in the classified or unclassified service on or after April 14, 1982, shall be eligible for coverage by the Hennepin county supplemental retirement program.~~

Sec. 12. Laws 1969, chapter 950, section 4, as amended by Laws 1975, chapter 153, section 2, and Laws 1982, chapter 450, section 4, is amended to read:

Sec. 4. [SUPPLEMENTAL RETIREMENT BENEFITS; REDEMPTION OF SHARES.]

When requested to do so, in writing, on forms provided by the county, by a participant, surviving spouse, a guardian of a surviving child or an estate, whichever is applicable, the county of Hennepin shall redeem shares in the accounts of the Minnesota supplemental investment fund standing in a participant's share account record under the following circumstances and in accordance with the laws and regulations governing the Minnesota supplemental investment fund:

(1) A participant who ~~has reached the age of at least 58 years and who is no longer employed by the county of Hennepin shall be entitled to receive the cash realized on the redemption of the shares to the credit of the participant's share account record of the person. The participant may direct request the redemption of not more than 20 percent of all or a portion of the shares in the participant's share account record of the person in any one year, but may not direct request more than one redemption in any one calendar month; provided, however, that the board of commissioners of the county of Hennepin may, upon application, in their sole discretion permit greater withdrawals in any one year. If only a portion of the shares in the participant's share account record is requested to be redeemed the person may request to redeem not less than 20 percent of the shares in any one calendar year and the redemption must be completed in no more than five years. An election is irrevocable except that a participant may request an amendment of the election to redeem all of the person's remaining shares. All requests under this paragraph are subject to application to and approval of the Hennepin county board, in its sole discretion.~~

(2) A participant who has terminated employment with the county of Hennepin on account of total and permanent disability shall be entitled to receive the cash realized on the redemption of the shares to the credit of the participant's share account record of the person. The board of commissioners of the county of Hennepin shall make the initial determination of whether the participant is totally and permanently disabled, but any aggrieved party may commence an action in the district court for Hennepin county for a review de novo of the decision of the county board. The proceedings in district court shall conform to the Minnesota rules of civil procedure. An appeal may be

taken to the supreme court from any final order or decision of the district court in the same manner as in other civil actions. The participant may direct the redemption of all or a portion of the shares in the participant's share account record of the person, but in no event may the participant direct more than one redemption in each calendar month. In the event that the person becomes no longer totally and permanently disabled, the person shall owe no restitution to the county or any fund for a redemption directed pursuant to this paragraph.

If only a portion of the shares in the participant's share account record is elected to be redeemed, the disabled person may direct the redemption of not more than 20 percent of the shares in any one year; provided, however, that the board of commissioners of the county of Hennepin may, upon application, in their sole discretion permit greater withdrawals in any one year.

(3) In the event of the death of a participant leaving a surviving spouse, the surviving spouse shall be entitled to receive the cash realized on the redemption of all or a portion of the shares in the participant's share account record of the deceased spouse, but in no event may the spouse ~~direct request~~ more than one redemption in each calendar month year. If only a portion of the shares in the participant's share account record is ~~elected~~ requested to be redeemed, the surviving spouse may ~~direct request~~ the redemption of not more less than 20 percent of the shares in any one calendar year; provided, however, that the board of commissioners of Hennepin county may, upon application, in their sole discretion permit greater withdrawals in any one year. *Redemption must be completed in no more than five years. An election is irrevocable except that the surviving spouse may request an amendment of the election to redeem all of the participant's remaining shares. All requests under this paragraph are subject to application to and approval of the Hennepin county board, in their sole discretion.* Upon the death of the surviving spouse, any shares remaining in the participant's share account record shall be redeemed by the county of Hennepin and the cash realized therefrom distributed to the estate of the surviving spouse.

(4)(3) In the event of the death of a participant leaving no surviving spouse, but leaving a minor surviving child or minor surviving children, the guardianship estate of the minor child or the guardianship estates of the minor children shall be entitled to receive the cash realized on the redemption of all shares to the credit of the participant's share account record of the deceased participant. In the event of minor surviving children, the cash realized shall be paid in equal shares to the guardianship estates of the minor surviving children.

(5)(4) In the event of the death of a participant leaving no surviving spouse and no minor surviving children, the estate of the deceased participant shall be entitled to receive the cash realized on the redemption of all shares to the credit of the participant's share account record of the deceased participant.

(6) A participant who has terminated employment with the county of Hennepin, who does not qualify pursuant to the provisions of paragraphs (1) through (5) and who became a participant in the Hennepin county supplemental retirement program prior to or after the effective date of this act and who previously had not redeemed any shares in the program shall be entitled to receive the total amount of the cash realized on the redemption of all shares

to the credit of the participant's share account record.

Sec. 13. Laws 1983, chapter 100, section 1, is amended to read:

Section 1. [WITHDRAWAL FROM PARTICIPATION.]

Notwithstanding Laws 1982, chapter 450, or any other law to the contrary, a Hennepin county employee currently participating in the Hennepin county supplemental retirement program pursuant to Laws 1982, chapter 450 may, ~~within a period of 180 days after the effective date of this section, in the event of an unforeseeable emergency,~~ apply to the county to discontinue participation in the program. Employees who are no longer participating in the program may apply for the redemption of all shares credited to their share account record. *Applications are subject to approval of the Hennepin county board of commissioners in its sole discretion. For the purposes of this section, the term "unforeseeable emergency" shall mean a severe financial hardship to the participant resulting from a sudden and unexpected illness or accident of the participant or a person dependent upon the participant, loss of participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant. Applications based on foreseeable expenditures normally budgetable shall not be approved.* A participant exercising the option provided by this section shall be ineligible for further participation in the supplemental retirement program.

Sec. 14. Laws 1981, chapter 68, section 42, subdivision 1, is amended to read:

Sec. 42. [THIEF RIVER FALLS POLICE; SURVIVOR BENEFITS.]

Subdivision 1. [BENEFITS.] Notwithstanding Minnesota Statutes, section 423.58, when a service pensioner, disability pensioner, deferred pensioner, or an active member of the Thief River Falls police relief association dies, leaving a surviving spouse, one or more surviving children, or both, the surviving spouse and child or children shall be entitled to a pension or pensions as follows:

(1) To the surviving spouse a pension in an amount not to exceed \$250 \$300 per month payable for life; provided, however, that if the surviving spouse shall remarry, the pension shall terminate as of the date of remarriage.

(2) To the child or children, until the child reaches the age of 18 years, a monthly benefit in an amount not to exceed \$125 per month. Payments for the benefit of any qualified dependent child under the age of 18 years shall be made to the surviving parent or if none, to the legal guardian of the child. The maximum monthly benefit for any one family shall not exceed \$750. If the member shall die under circumstances which entitle his surviving spouse and dependent children to receive benefits under the workers' compensation law, the amounts so received by them shall not be deducted from the benefits payable under this section.

(3) *Pensions payable to a surviving spouse pursuant to paragraph (1) shall be adjusted annually on January 1, 1986, and January 1 of each year thereafter in proportion to salary increases paid to active patrolmen by the city during the preceding calendar year, to a maximum of three and one-half*

percent in any calendar year. In no event shall the pension of a surviving spouse exceed \$600 per month.

Sec. 15. Laws 1982, chapter 574, section 3, subdivision 9, is amended to read:

Subd. 9. [PREVAILING PAY.] "Prevailing pay" means the monthly basic salary and the maximum holiday pay, multiplied by the maximum percentage of longevity. Monthly basic salary, maximum holiday pay, and the percentage of longevity are determined in accordance with the unit employment contract of the police department in effect from time to time or, in the case of police officers not covered by the unit employment contract, by other contracts in effect from time to time. No pension shall be reduced by reason of the employment of a successor at a lower prevailing pay. In the case of police officers who are required to accept a position of lower rank prior to their retirement, the pension shall be based on the prevailing pay of the higher rank.

Sec. 16. Laws 1982, chapter 574, section 5, is amended to read:

Sec. 5. [VIRGINIA POLICE; BENEFIT CHANGES FOR PARTICIPANTS.]

If the bylaws so authorize, the following changes shall be effective:

(a) The service pension payable to persons who retired from the police department on or before January 12, 1966, shall be supplemented by \$50 \$100 per month.

(b) For any participant who terminated employment after 20 or more years of service, the amount of the monthly service pension payable after the participant has attained the age of at least 50 years shall be equal to one-half of the prevailing pay of a police officer of the rank and position held by the participant for a period of at least six months prior to termination of service, or to the rank and position most analogous thereto, payable by the police department in each month during which the retired participant receives a service pension.

(c) The amount of a monthly disability pension shall be equal to one-half of the prevailing pay of a police officer of the rank and position held by the participant for a period of at least six months prior to his or her disability or the rank and position most analogous thereto, payable by the police department in each month during the period of the participant's disability, subject to any integration of benefits.

(d) The benefit paid to the surviving spouse of a participant who died on or before January 11, 1967, shall be increased by \$25 \$50 per month, until the surviving spouse's death or remarriage.

(e) The benefit paid to a surviving child shall be increased to \$50 per child per month, subject to any limitation placed on the total amount of survivor's benefits.

Sec. 17. Laws 1984, chapter 564, section 48, is amended to read:

Sec. 48. [ANNUAL APPROPRIATION SUPPLEMENTARY AMORTIZATION STATE AID.]

There is appropriated and transferred from the general fund to the com-

missioner of finance, \$1,000,000 annually for distribution among those ~~local police and salaried firefighters relief associations~~ *municipalities* that receive amortization state aid according to Minnesota Statutes, section 423A.02. Distribution shall be made according to that proportion the unfunded accrued liability of each relief association bears to the total unfunded accrued liabilities of all relief associations as reported in the ~~most recent~~ *December 31, 1983*, actuarial valuations of the relief associations that receive amortization state aid according to section 423A.02. Moneys shall be distributed ~~to the relief associations~~ at the same time fire and police department state aid is distributed according to section 69.021.

Sec. 18. Laws 1984, chapter 574, section 18, is amended to read:

Sec. 18. [BUHL POLICE RETIREMENT BENEFITS.]

Notwithstanding the limitation contained in Minnesota Statutes, section 423.55 or any other law, the bylaws of the Buhl police relief association may be amended to provide for the payment of ~~a an~~ *an annual* service pension equal to ~~65.85 percent of the monthly~~ *base pay of a member at for the 12-month period immediately preceding* the time of retirement from the police department. All other provisions of section 423.55 shall apply to the extent not inconsistent with this section.

In addition, the bylaws of the Buhl police relief association may be amended to provide for the recalculation of the service pension payable to a current retiree. The increased service pension may be equal to 85 percent of the total pay of the retired member for the 12-month period immediately preceding the time of retirement from the police department.

Sec. 19. [EVELETH POLICE AND FIREFIGHTERS; BENEFIT INCREASE.]

Notwithstanding any general or special law to the contrary, in addition to other benefits payable, retirement benefits payable to retired police officers and firefighters and the surviving spouses thereof by the Eveleth police and fire trust fund may be increased by \$25 per month. Increases may be made retroactive to January 1, 1985.

Sec. 20. [NEW ULM POLICE RELIEF ASSOCIATION.]

Subdivision 1. [BENEFIT INCREASE FOR RETIREES.] The New Ulm police relief association is authorized to pay any retired member of the association a supplemental benefit of \$80 per month from the date the retired member is eligible to receive benefits from the association until the member reaches the age of 65 years. This benefit shall be available to only those members retiring after the effective date of this section.

Subd. 2. [FINANCING.] The cost of the additional benefit provided by subdivision 1 will be paid by a 0.75 percent increase in the payroll deduction of the covered payroll of members of the New Ulm police relief association. Any cost of the additional retirement benefits not covered by the increase in payroll deduction shall be reimbursed to the association by the city of New Ulm.

Sec. 21. [STEVENS COUNTY MEMORIAL HOSPITAL EMPLOYEES.]

Subdivision 1. [REFUND OF CONTRIBUTIONS.] A member of the

public employees retirement association who was employed by the Stevens county memorial hospital on the date the hospital was taken over by a private corporation or organization shall be paid a refund of accumulated employee and employer contributions made by or on behalf of the employee to the association, plus interest thereon at the rate of six percent per annum. If an employee has previously received a refund of employee contributions, only the employer contributions plus the total interest shall be refunded. No employer additional contributions are to be refunded.

Subd. 2. [DEFERRED ANNUITY.] If an employee described in subdivision 1 had at least five years of allowable service credit, the employee may elect to receive, in lieu of the refund, a deferred annuity pursuant to Minnesota Statutes, section 353.34, subdivision 3, notwithstanding the length of service requirements contained therein. An employee eligible for a deferred annuity who has previously received a refund of employee contributions may reinstate his or her eligibility for a deferred annuity by repaying the amount refunded, including any interest received, to the association.

Subd. 3. [DEADLINE.] Refunds shall be paid or options exercised and repayments of refunds made prior to July 1, 1986.

Sec. 22. [CITY OF ST. PAUL MODEL CITIES HEALTH CENTER PROJECT EMPLOYEES.]

Subdivision 1. [REFUND OF CONTRIBUTIONS.] A member of the public employees retirement association who is employed by the city of St. Paul and assigned to the model cities health center project on the date the project is taken over by a private corporation or organization must, upon the employee's request, be paid a refund of accumulated employee and employer contributions made by or on behalf of the employee to the association, plus interest at the rate of six percent per year. If an employee has previously received a refund of employee contributions, only the employer contributions plus the total interest may be refunded. No employer additional contributions are to be refunded.

Subd. 2. [DEFERRED ANNUITY.] If an employee described in subdivision 1 had at least five years of allowable service credit, the employee may elect to receive, instead of the refund, a deferred annuity under Minnesota Statutes, section 353.34, subdivision 3, notwithstanding the length of service requirements contained in that subdivision. An employee eligible for a deferred annuity who has previously received a refund of employee contributions may reinstate his or her eligibility for a deferred annuity by repaying the amount refunded, including any interest received, to the association.

Subd. 3. [DEADLINE.] Refunds must be paid or options exercised and repayments of refunds made within one year of the date the model cities health center project is taken over by a private corporation or organization.

Sec. 23. [OWATONNA CITY HOSPITAL.]

Refunds authorized by Laws 1984, chapter 574, section 31, may be paid prior to July 1, 1985.

Sec. 24. [TEMPORARY PROVISION; COUNTY HISTORICAL SOCIETY EMPLOYEES.]

Section 3 applies to county historical society employees first employed on

or after July 1, 1985. Employees first employed prior to July 1, 1985, may elect membership effective commencing on that date by filing notice of their election with the board of trustees of the association prior to September 1, 1985. Elected coverage shall not be retroactive for service prior to July 1, 1985, and no purchase of prior service credit shall be allowed.

Sec. 25. [MOORHEAD POLICE AND FIREFIGHTERS; RETIREMENT COVERAGE FOR ACTIVE MEMBERS.]

Subdivision 1. [TRANSFER OF COVERAGE.] Notwithstanding any other law, deferred recipients or active police officers and firefighters employed by the police and fire departments of the city of Moorhead on the effective date of sections 25 to 31 who receive their pension and retirement coverage from either the Moorhead police or firefighters relief association cease to be members of their respective association, and cease to accrue service credits, rights, or benefits from their respective relief association on August 1, 1985. On August 1, 1985, active police officers and firefighters employed by the city of Moorhead who meet the requirements of Minnesota Statutes, section 353.64, become members of the public employees police and fire fund established pursuant to Minnesota Statutes, sections 353.63 to 353.68. Their service before August 1, 1985, as police officers and firefighters with the city of Moorhead must be credited as allowable service by the public employees police and fire fund for purposes of Minnesota Statutes, section 353.01, subdivision 16.

Subd. 2. [CALCULATION OF LIABILITY.] The liability for service before August 1, 1985, to be transferred to the police and fire fund must be calculated by the actuary for the police and fire fund based on the following data for each active police officer and firefighter: date of birth, date of entry into service, dates of breaks in service, and salaries for each of the highest five successive years of service. The liability must be calculated as of August 1, 1985, as if each police officer and firefighter were a member of the police and fire fund from the original date of entry into service under the laws governing the police and fire fund on January 1, 1985. The actuary of the police and fire fund shall calculate this liability before the approval of sections 25 to 31 by the city of Moorhead.

The legislative commission on pensions and retirement must approve the calculations of liabilities upon the recommendation of its actuary. The actuary for the police and fire fund shall furnish documents, data, and materials requested by the commission and its actuary.

The city of Moorhead shall pay a required portion of the calculated liability to the police and fire fund. The required portion shall be an amount equal to the percentage which the assets of the police and fire fund bear to the accrued liability of the fund as determined in the June 30, 1984, valuation of the fund.

The required portion of the liability for the service of the police officers and firefighters before August 1, 1985, must be added to the liability of the police and fire fund. The city of Moorhead shall certify the records upon which the liability calculations are performed and shall amortize the amount of that added liability as provided in section 27, subdivision 2.

Sec. 26. [RETIREMENT COVERAGE FOR CURRENT RECIPIENTS]

OF BENEFITS.]

Current recipients of retirement benefits, disability benefits, or survivor benefits paid by either relief association shall receive future benefits from the police and fire fund with future adjustments from the Minnesota postretirement investment fund, called the postretirement fund in sections 27 to 30, pursuant to Minnesota Statutes, section 11A.18.

The relief associations shall obtain estimates of reserves for current or deferred benefit recipients from the actuary of the police and fire fund. The estimates must be of the reserves necessary to support a benefit in an amount equal to that received by each recipient in July 1985, plus future adjustments from the postretirement fund, assuming the recipient was retiring at his or her attained age as of July 31, 1985, from the police and fire fund on that date. The calculation must be made using the interest assumption of the postretirement fund and the applicable police and fire fund mortality table. For recipients with eligible spouses, the reserves must include the right of the spouse to receive a surviving spouse benefit as provided by the laws and the bylaws governing the relief association as of January 1, 1985.

The relief association shall compile a list of recipients to receive future benefit adjustments from the postretirement fund, called the postfund recipients and the corresponding required reserves for those recipients. The relief association shall provide the board of the public employees retirement association with the list so that the board can pay the August 1985 payments.

The accrued liability as of July 31, 1985, for all postfund recipients must be added to the liability of the police and fire fund and ceases to be the liability of each relief association. The police and fire fund shall transfer the required reserves for the postfund recipients to the postretirement fund by July 31, 1985.

The required reserves for the January 1, 1986, increase determined using the interest assumption of the postretirement fund and the applicable police and fire fund mortality table shall be transferred by the police and fire fund to the postretirement fund on January 1, 1986. If any assets remain in either the Moorhead police relief association or in the special fund of the Moorhead firefighters relief association after the transfer of assets for the postfund recipients, those assets must be transferred to the public employees retirement association to reduce the unfunded accrued liability resulting from transfer of the liability of the active employees. If the assets transferred for the postfund recipients are insufficient, the city shall finance the remaining unfunded accrued liability as provided in section 27, subdivision 3.

Future adjustments, pursuant to Minnesota Statutes, section 11A.18, must be calculated on the annuity or benefit amount payable by either relief association in July 1985. For the purposes of determining and paying the January 1, 1986, adjustment from the postretirement fund, the adjustment must be calculated as though June 30, 1984, were the effective date of retirement for each postfund recipient.

Sec. 27. [FINANCIAL REQUIREMENTS FOR CITY OF MOORHEAD.]

Subdivision 1. [RECEIPT OF STATE AID.] Amortization state aid, fire state aid, or other money received by the city for pension purposes must be

allocated by the city among the financial requirements of this section.

Subd. 2. [FINANCIAL REQUIREMENTS OF POLICE AND FIRE FUND MEMBERS.] *The city of Moorhead shall make the employer contribution to the police and fire fund on behalf of all active police officers and firefighters employed by the police and fire departments as required in Minnesota Statutes, section 353.65, subdivision 3.*

In addition, the city shall make an additional contribution to the police and fire fund to amortize the unfunded accrued liability incurred by the police and fire fund as a result of the crediting of service before August 1, 1985. The additional contribution must be the level annual dollar amount that is required to amortize by the year 2010 the unfunded accrued liability incurred as a result of the consolidation, using an interest assumption of eight percent. The additional contribution is payable at the beginning of each fiscal year, commencing July 1, 1986. Upon request of the city of Moorhead, the board may permit the city to make payments according to a different schedule.

Subd. 3. [FINANCIAL REQUIREMENTS FOR POSTFUND RECIPIENTS.] *The city of Moorhead shall amortize the unfunded accrued liability incurred by the police and fire fund as a result of the transfer of reserves by the police and fire fund to the postretirement fund for the postfund recipients. That liability, if any, calculated by the police and fire fund actuary as provided in section 26, must be amortized and paid in the same manner as the unfunded liability incurred as a result of the consolidation, as provided in subdivision 2, except that the amortization period must be equal to the average life expectancy of the postfund recipients as of August 1, 1985. The actuary of the police and fire fund shall determine the period of amortization based on the mortality tables applicable to the police and fire fund.*

Subd. 4. [LEVY AUTHORITY.] *The city of Moorhead shall levy to provide for the financial requirements of subdivisions 2 and 3. Notwithstanding any other law, any levy required to provide the necessary financing is not included in any limitation as to rate or amount set by charter and is a special levy for purposes of Minnesota Statutes, section 275.50, subdivision 5, clause (o).*

Sec. 28. [TERMINATION OF RELIEF ASSOCIATIONS.]

Subdivision 1. [TRANSFER OF ASSETS.] *All assets of the special fund of the Moorhead firefighters relief association and all assets of the Moorhead police relief association must be transferred to the public employees retirement association as provided in section 26. The transfer of assets must include any accounts receivable, regardless of source. Accounts payable on August 1, 1985, must also be transferred to the public employees retirement association. The public employees retirement association is the successor in interest with respect to all claims by or against either relief association or the city of Moorhead arising from operation of the relief association, except (1) any claim against either relief association or any person connected with it in a fiduciary capacity, based on any acts by that person which were not performed in good faith and which constituted a breach of the person's obligation as a fiduciary, or (2) any judicial proceeding arising from the passage of sections 25 to 31. As a successor in interest, the public employees retirement association may assert any applicable defense in any judicial pro-*

ceeding which either relief association or the city of Moorhead would otherwise have been entitled to assert.

Subd. 2. [TRANSFER OF RECORDS.] *Before August 1, 1985, or as soon as possible, each relief association shall transfer to the police and fire fund original copies of all records and documents in its possession relating to the relief association and any of its members. The city of Moorhead shall provide from time to time whatever additional relevant information the board may request.*

Subd. 3. [TERMINATION OF SPECIAL FUND.] *Upon the transfer of the assets, liabilities, and records of the Moorhead firefighters relief association to the public employees retirement association, the Moorhead firefighters are no longer authorized to retain a special fund within their relief association, and the special fund ceases to exist as a legal entity. Firefighters employed by the Moorhead fire department may retain the name "Moorhead firefighters relief association" as the name of their general fund.*

Subd. 4. [TERMINATION OF RELIEF ASSOCIATION.] *Upon the transfer of the assets, liabilities, and records of the Moorhead police relief association to the public employees retirement association, the Moorhead police relief association ceases to exist as a legal entity.*

Sec. 29. [REVIEW OF PORTFOLIO BY STATE BOARD OF INVESTMENT.]

Before the transfer of assets to the public employees retirement association, the state board of investment may review the existing portfolio of the relief associations and require the liquidation of any assets deemed inappropriate for transfer. All assets must be transferred at market value.

Sec. 30. [SAVING CLAUSE.]

Notwithstanding any other law, any person receiving a benefit from either relief association on or before the effective date of sections 25 to 31, who is working for a state or local unit of government on that date, and who has retirement coverage for that employment from either the Minnesota state retirement system or the public employees retirement association retains benefits accrued for that employment and is entitled to accrue future benefits for it despite the transfer of service credit for service as a Moorhead police officer or firefighter to the police and fire fund.

Sec. 31. [REPEALER OF MOORHEAD SPECIAL LAWS.]

Laws 1945, chapter 277; Laws 1951, chapter 499; Laws 1955, chapter 75; Laws 1965, chapter 190; Laws 1967, chapter 775; Laws 1969, chapter 138; Laws 1975, chapter 120; Laws 1978, chapter 563, section 8; Laws 1979, chapter 216, sections 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, and 43; Laws 1980, chapter 600, section 16; Laws 1981, chapter 224, section 236; and Laws 1982, chapter 578, article 3, section 18, are repealed.

Sec. 32. Laws 1969, chapter 576, section 3, subdivision 1, is amended to read:

Sec. 3. Subdivision 1. In lieu of a service pension as provided for in Min-

nesota Statutes, Section 424.21, the fire department relief association may provide a service pension to a regularly employed full time member of the association as defined in Minnesota Statutes, Section 424.03, who has completed a period or periods of service in the fire department equal to ~~20~~ *ten* years or more, and after he has arrived at the age of 50 years or more *or would have attained 20 years of service had active membership continued, whichever is later*, and has retired from the payroll of the fire department, such pension to be a sum equal to ~~50~~ 26 percent, and in addition thereto, 2.6 percent for each year of service beyond ten years but not to exceed 20 years plus one percent per year for each year of service beyond 20 years, not to exceed a sum equal to ~~60~~ 62 percent, of the salary as payable from time to time during the period of the pension payment to firemen of the highest grade, not including officers of the department, in the employ of the city of St. Louis Park, such pension to be payable for ~~his natural~~ life in conformity with the bylaws of the association.

Sec. 33. Laws 1969, chapter 576, section 4, subdivision 1, is amended to read:

Sec. 4. Subdivision 1. In lieu of the disability pension and limitations provided for in Minnesota Statutes, Section 424.20, the fire department relief association shall provide for disability benefits to a member of the association on active duty in the department ~~of~~. *For members who have not completed 20 years of service the disability amount is a sum equal to 50 percent of the applicable salary. For members who have completed 20 years of service the disability amount is a sum equal to* ~~50~~ 52 percent, and in addition thereto, one percent per year for each year of service performed in the department beyond 20 years, not to exceed a sum equal to ~~60~~ 62 percent, of the salary as payable from time to time during the period of pension payment to firemen of the highest grade, not including officers of the department, in the employ of the city of St. Louis Park, such pension to be payable for such periods of time and at such times as the bylaws of the association provide.

Sec. 34. [BYLAW AMENDMENT.]

Pursuant to Minnesota Statutes, section 356.24, authority is granted to the St. Louis Park fire department relief association to amend its bylaws or articles as required for the purpose of providing a prorated survivor benefit to the surviving spouse and dependent children of a deceased retired firefighter who had at least ten but less than 20 years of service at the time of death. The prorated benefit shall be in that proportion that the years of service of the decedent bears to 20 years.

Sec. 35. [VESTED RIGHTS.]

No provision of sections 32 to 35 shall be construed as reducing or impairing benefits for members vested prior to the effective date of sections 32 to 35.

Those benefits include increases granted by resolution of the St. Louis Park city council pursuant to Laws 1980, chapter 607, article XV, section 7. Those increases were as follows:

(a) An additional 2.35 percent of the top firefighter salary shall be added to the service pension of members who have completed at least 20 years service.

(b) An additional 2.35 percent of the top firefighter salary shall be added to the disability benefits available to members who have completed at least 20 years of service.

Sec. 36. [ALBERT LEA POLICE AND FIREFIGHTERS; REINSTATEMENT OF SURVIVORS' BENEFITS.]

Notwithstanding any law to the contrary, the Albert Lea police and firefighters relief associations are entitled to amend their bylaws to provide for the reinstatement of benefits to a surviving spouse who had remarried. The surviving spouse benefit may be reinstated upon application following termination of the remarriage for any reason. The reapplying person shall not be entitled to retroactive payments prior to the time of reapplication.

Sec. 37. Laws 1965, chapter 592, section 4, as added by Laws 1969, chapter 644, section 2, and amended by Laws 1975, chapter 229, section 3, is amended to read:

Sec. 4. [SURVIVORS' AND FUNERAL BENEFITS.] The association may pay survivors benefits to the surviving spouse and children under 18 years of age of deceased members of the association and funeral benefits in the manner and amounts prescribed by its bylaws, subject to the provisions of this section, or as provided in Minnesota Statutes, chapter 424A. The ~~widow surviving spouse or estate of a member who dies before his retirement from the fire department shall~~ may receive a funeral benefit of ~~not to exceed at least \$1,350 payable in a lump sum upon the member's death and monthly payments of \$135 from the death of the member until the widow's death or remarriage.~~ The ~~widow surviving spouse of a member who dies either before or following his retirement from the fire department shall receive monthly payments of not to exceed at least \$135 from the death of the member until the widow's surviving spouse's death or remarriage.~~ Each child of a deceased member of the association shall receive monthly payments from the death of the member until the child attains 18 years of age in the amount of ~~not to exceed at least \$27 per month.~~ The total amount paid to the children of any member shall not exceed ~~\$135 per month~~ five times the monthly amount payable to one child.

Sec. 38. [EFFECTIVE DATE.]

Sections 2, 4 to 10, 17, 21 to 23, and 32 are effective the day following final enactment. Section 10 is retroactive to January 1, 1985. Section 1 is effective May 31, 1985. Sections 3 and 24 are effective July 1, 1985. Sections 4 and 5 are effective January 1, 1986. Sections 11 to 13 are effective on approval by the Hennepin county board. Section 14 is effective retroactive to January 1, 1985, on approval by the Thief River Falls city council. Sections 15 and 16 are effective retroactive to January 1, 1985, on approval by the Virginia city council. Section 18 is effective on approval by the Buhl city council. Section 19 is effective retroactive to January 1, 1985, on approval by the Eveleth city council. Section 20 is effective on approval by the New Ulm city council. Sections 25 to 31 are effective on approval by the Moorhead city council. Sections 32 to 35 are effective on approval by the St. Louis Park city council. Section 36 is effective on approval by the Albert Lea city council. All local approvals must comply with Minnesota Statutes, section 645.021.

Delete the title and insert:

"A bill for an act relating to retirement; public plans generally; amending Minnesota Statutes 1984, sections 69.011, subdivision 1; 69.26; 353.01, subdivision 2a; 353.34, by adding a subdivision; 423A.02; 423A.15; 424A.02, subdivisions 6 and 9, and by adding a subdivision; and Laws 1965, chapter 592, section 4, as amended; Laws 1969, chapters 576, sections 3, subdivision 1; and 4, subdivision 1; 950, sections 1, subdivision 1, as amended; and 4, as amended; Laws 1981, chapter 68, section 42, subdivision 1; Laws 1982, chapter 574, sections 3, subdivision 9; and 5; Laws 1983, chapter 100, section 1; and Laws 1984, chapters 564, section 48; and 574, section 18; proposing coding for new law in Minnesota Statutes, chapter 423A; repealing Laws 1945, chapter 277; Laws 1951, chapter 499; Laws 1955, chapter 75; Laws 1965, chapter 190; Laws 1967, chapter 775; Laws 1969, chapter 138; Laws 1975, chapter 120; Laws 1978, chapter 563, section 8; Laws 1979, chapter 216, sections 27 to 43; Laws 1980, chapter 600, section 16; Laws 1981, chapter 224, section 236; and Laws 1982, chapter 578, article 3, section 18."

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

House Conferees: (Signed) Linda Scheid, Gerald C. Knickerbocker, Gil Gutknecht, Steve Sviggum, John Sarna

Senate Conferees: (Signed) Lawrence J. Pogemiller, Darril Wegscheid, Earl W. Renneke, Allan H. Spear, Donald M. Moe

Mr. Pogemiller moved that the foregoing recommendations and Conference Committee Report on H.F. No. 729 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. 729 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 54 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommen-

dation and report of the Conference Committee on House File No. 242, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 242 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

CONFERENCE COMMITTEE REPORT ON H.F. NO. 242

A bill for an act relating to commerce; requiring manufacturers to make certain new motor vehicle warranty disclosures directly to consumers; amending Minnesota Statutes 1984, section 325F.665, subdivision 3.

May 20, 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. 242, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 242 be further amended as follows:

Page 3, after line 23, insert:

"Sec. 2. [STUDY; PROTECTION FOR PURCHASERS OF AGRICULTURAL VEHICLES.]

The consumer services unit of the office of the attorney general shall study the need for and applicability of consumer protection legislation for purchasers of farm trucks, farm tractors, and implements of husbandry similar to the protection afforded purchasers of new motor vehicles under Minnesota Statutes, section 325F.665. The results of the study and any recommendations must be submitted to the committee on agriculture in the house and the committee of agriculture and natural resources in the senate by November 1, 1985. The attorney general shall use existing staff and funds to complete the report.

The committees shall make recommendations to the legislature by January 1, 1986."

Page 3, line 25, after the period insert "Section 2 is effective the day following final enactment."

Renumber the remaining section

Amend the title as follows:

Page 1, line 4, after the semicolon insert "requiring a study of protection for purchasers of agricultural vehicles;"

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

House Conferees: (Signed) Tony Bennett, Marcus Marsh

Senate Conferees: (Signed) Gregory L. Dahl, Doran L. Isackson

Mr. Dahl moved that the foregoing recommendations and Conference Committee Report on H.F. No. 242 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. 242: A bill for an act relating to commerce; requiring manufacturers to make certain new motor vehicle warranty disclosures directly to consumers; amending Minnesota Statutes 1984, section 325F.665, subdivision 3, requiring a study of protection for purchasers of agricultural vehicles.

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 52 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Bertram voted in the negative.

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 565, 1067, 1118, 1362 and 1363.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 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. 264, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 264 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

CONFERENCE COMMITTEE REPORT ON H.F. NO. 264

A bill for an act relating to animals; providing for a rabies control program;

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

May 20, 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. 264, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 264 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [346.50] [DOGS; IDENTIFICATION.]

An owner or custodian of a dog who permits the dog to be uncontrolled off the owner's or custodian's premises shall have the dog identified in one of the following ways:

(1) by a device, tag, or plate attached to the dog by a collar, harness, or device giving the name, address, and telephone number of the current owner;

(2) by an electronically activated identification device within or attached to the body of the dog through which the owner can be promptly identified;

(3) by a number legibly tattooed on the thigh, abdomen, or ear of the dog through which the owner can be promptly identified using information from official dog registries, city or county registries, veterinary hospital registries, or driver's license records;

(4) by an official license tag of a city or county through which the owner can be promptly identified; or

(5) by a current rabies vaccination tag or other identification device of a city, a county, or a veterinarian through which the owner can be promptly identified.

Sec. 2. [346.51] [BITES.]

An owner or custodian of a dog which does not have an appropriate anti-rabies vaccination and which bites or otherwise exposes a person to rabies virus may be penalized under section 4.

Sec. 3. [346.52] [LOCAL PROGRAMS.]

Sections 1 to 5 do not prohibit or restrict a local governmental unit from imposing an identification or rabies control program with more restrictive provisions or prohibiting dogs from running uncontrolled.

Sec. 4. [346.53] [PENALTIES.]

Violation of sections 1 and 2 is a petty misdemeanor.

Sec. 5. [346.54] [NOTIFICATION OF OWNERS.]

Animal shelter personnel who receive animals shall check for identification on each animal, identify the owner by the identification whenever possible, and promptly notify the owner of the location of the animal by the most expedient means.

Sec. 6. Minnesota Statutes 1984, section 609.205, is amended to read:

609.205 [MANSLAUGHTER IN THE SECOND DEGREE.]

Whoever A person who causes the death of another by any of the following means is guilty of manslaughter in the second degree and may be sentenced to imprisonment for not more than seven years or to payment of a fine of not more than \$14,000, or both:

(1) By his culpable negligence whereby he creates an unreasonable risk, and consciously takes chances of causing death or great bodily harm to another; or

(2) By shooting another with a firearm or other dangerous weapon as a result of negligently believing him to be a deer or other animal; or

(3) By setting a spring gun, pit fall, deadfall, snare, or other like dangerous weapon or device; or

(4) By negligently or intentionally permitting any animal, known by him the person to have vicious propensities or to have caused great or substantial bodily harm in the past, to go at large run uncontrolled off the owner's premises, or negligently failing to keep it properly confined; and the victim was not at fault.

If proven by a preponderance of the evidence, it shall be an affirmative defense to criminal liability under clause (4) that the victim provoked the animal to cause the victim's death.

Sec. 7. [609.226] [HARM CAUSED BY A DOG.]

A person who causes great or substantial bodily harm to another by negligently or intentionally permitting any dog to run uncontrolled off the owner's premises, or negligently failing to keep it properly confined is guilty of a petty misdemeanor. A person who is convicted of a second or subsequent violation of this section involving the same dog is guilty of a gross misdemeanor.

If proven by a preponderance of the evidence, it shall be an affirmative defense to liability under this section that the victim provoked the dog to cause the victim's bodily harm.

Sec. 8. [609.227] [DANGEROUS ANIMALS DESTROYED.]

When a person has been convicted of a crime under section 609.205, clause (4), or of a gross misdemeanor violation of section 7, the court may order that the animal which caused the death or injury be seized by the appropriate local law enforcement agency and killed in a proper and humane manner. The owner of the animal shall pay the cost of killing the animal. This section shall not preempt local ordinances with more restrictive provisions.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 5 are effective August 1, 1985. Sections 6 to 8 are effective August 1, 1985, and apply to crimes committed on or after that date.

Amend the title as follows:

Page 1, line 5, delete "dogs" and insert "animals"

Page 1, line 6, delete "destruction" and insert "killing"

Page 1, line 8, delete "609.25" and insert "609.205"

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

House Conferees: (Signed) Jim Heap, Gil Gutknecht, Randy C. Kelly

Senate Conferees: (Signed) Jim Ramstad, Gene Merriam, Eric D. Petty

Mr. Ramstad moved that the foregoing recommendations and Conference Committee Report on H.F. No. 264 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.

CALL OF THE SENATE

Mr. Ramstad imposed a call of the Senate for the balance of the proceedings on H.F. No. 264. The Sergeant at Arms was instructed to bring in the absent members.

H.F. No. 264: A bill for an act relating to animals; providing for a rabies control program; imposing criminal liability on persons who cause the death or substantial bodily harm of another by permitting certain animals to be unconfined or improperly confined; providing for the killing of dangerous animals; imposing penalties; amending Minnesota Statutes 1984, section 605.205; proposing coding for new law in Minnesota Statutes, chapters 346 and 609.

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 36 and nays 24, as follows:

Those who voted in the affirmative were:

Adkins	Gustafson	McQuaid	Pogemiller	Taylor
Belanger	Jude	Merriam	Ramstad	Vega
Berglin	Knaak	Moe, D.M.	Reichgott	Waldorf
Brataas	Kroening	Olson	Schmitz	Wegscheid
Dahl	Laidig	Peterson, C.C.	Sieloff	
Dieterich	Lantry	Peterson, D.C.	Solon	
Frank	Lessard	Peterson, R.W.	Spear	
Freeman	Luther	Petty	Storm	

Those who voted in the negative were:

Anderson	Chmielewski	Isackson	Langseth	Purfeerst
Benson	Davis	Johnson, D.E.	Mehrkens	Renneke
Berg	DeCramer	Kamrath	Moe, R.D.	Stumpf
Bernhagen	Frederick	Knutson	Pehler	Willet
Bertram	Frederickson	Kronebusch	Peterson, D.L.	

So the bill, as amended by the Conference Committee, was repassed and

its title was agreed to.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

MOTIONS AND RESOLUTIONS - CONTINUED

CONFIRMATION

Mr. Vega moved that the reports from the Committee on Energy and Housing, reported April 22, 1985, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Vega moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Vega moved that in accordance with the reports from the Committee on Energy and Housing, reported April 22, 1985, the Senate, having given its advice, do now consent to and confirm the appointments of:

MINNESOTA HOUSING FINANCE AGENCY

Demetrius G. Jelatis, 1161 Oak St., Red Wing, Goodhue County, effective May 31, 1983, for a term expiring the first Monday in January, 1987.

Shirley Van Dyck, Rt. 2, Box 30, Cass Lake, Cass County, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

J. Mark Wedel, Box 284, Aitkin, Aitkin County, effective January 28, 1985, for a term expiring the first Monday in January, 1989.

Robert A. Worthington, 10326 Colorado Rd., Bloomington, Hennepin County, effective May 31, 1983, for a term expiring the first Monday in January, 1987.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 472 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 472

A bill for an act relating to taxation; discontinuing enforcement of the unfair cigarette sales act; modifying certain procedures relating to taxpayer appeals; requiring apportionment of levies in specific situations; clarifying the calculation of property tax credits; clarifying the tax treatment of certain pipelines; modifying provisions relating to the payment of property taxes; allowing for sales of sample packs of cigarettes containing 25 cigarettes; altering the eligibility for confessions of judgment; providing for the recording of state deeds; modifying the deed stamp tax procedure; clarifying the computation of gross earnings tax for taconite railroads; clarifying labor

credit provisions; modifying the taconite production tax distribution; reducing occupation and royalty tax rates for certain ore; clarifying process of taconite aid guarantee phase out; requiring payment of current taxes before conveyance of registered land; allowing for memorializing of state deeds on certificates of title; amending Minnesota Statutes 1984, sections 270.06; 270.076, subdivision 2; 270.11, subdivision 7; 270.12, subdivision 3; 272.02, subdivision 1; 273.123, subdivision 5; 273.13, subdivision 4; 273.138, subdivision 5; 273.33, subdivisions 1 and 2; 279.01, subdivision 1; 279.37, subdivision 1; 282.01, subdivision 6; 282.014; 282.301; 282.33, subdivision 1; 282.36; 287.25; 294.22; 297.03, subdivision 10; 298.01, subdivision 1; 298.02, subdivision 1; 298.225; 298.28, subdivision 1; 299.01, subdivision 1; 299.012, subdivision 1; 473H.10, subdivision 3; 508.47, subdivision 4; 508.71, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 273; repealing Minnesota Statutes 1984, sections 298.01, subdivision 2; 299.01, subdivision 2; 325D.41; and 477A.04.

May 20, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 472, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 472 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1984, section 270.076, subdivision 2, is amended to read:

Subd. 2. In case of appeal from the assessment and levy of the tax, the airline company shall currently pay when due ~~that portion~~ 90 percent of the tax ~~which is admitted to be due unless the payment is waived or otherwise adjusted by an order of the court.~~ If the final determination of the litigation should result in sustaining the assessment and levy or in the finding that the amount paid by the airline company is insufficient, the difference between the amount paid and the amount which should have been paid shall be decreed delinquent taxes subject to interest, as hereinabove provided. If the final determination of the tax court or the supreme court shall result in increasing any assessment above that which was made final by the order of the commissioner from which the appeal is taken, then the taxes on such increased assessment shall be delinquent 30 days after notice of the amount of the increased tax shall have been given to the airline company by the commissioner.

Sec. 2. Minnesota Statutes 1984, section 270.11, subdivision 7, is amended to read:

Subd. 7. [APPEARANCES BEFORE THE COMMISSIONER.] A property owner, other than a public utility, or mining company ~~or the metropolitan airport commission,~~ for which the original assessments are determined by the commissioner of revenue, may not appear before the commissioner for

the purposes provided in subdivisions 5 or 6 unless a timely appearance in person, by counsel, or by written communication has been made before the county board of equalization as provided in section 274.13, to appeal the assessment of the property, or that he can establish that he did not receive notice of his market value at least five days before the local board of review meeting.

The commissioner may refuse to hear an appeal that is within the jurisdiction of the small claims division of the tax court as stated in section 271.21, subdivision 2. The property owner shall be notified by the commissioner of the right to appeal to the small claims division whenever an appeal to the commissioner is denied.

Sec. 3. Minnesota Statutes 1984, section 270.12, subdivision 3, is amended to read:

Subd. 3. For taxes levied in 1983 1985 and thereafter when a taxing jurisdiction lies in two or more counties, if the sales ratio studies prepared by the department of revenue show that the average levels of assessment in the several portions of the taxing jurisdictions in the different counties differ by more than five percent, the board ~~shall~~ may order the apportionment of the levy. *When the sales ratio studies prepared by the department of revenue show that the average levels of assessment in the several portions of the taxing jurisdictions in the different counties differ by more than ten percent, the board shall order the apportionment of the levy unless (a) the proportion of total adjusted assessed value in one of the counties is less than ten percent of the total adjusted assessed value in the taxing jurisdiction and the average level of assessment in that portion of the taxing jurisdiction is the level which differs by more than five percent from the assessment level in any one of the other portions of the taxing jurisdiction; (b) significant changes have been made in the level of assessment in the taxing jurisdiction which have not been reflected in the sales ratio study, and those changes alter the assessment levels in the portions of the taxing jurisdiction so that the assessment level now differs by five percent or less; or (c) commercial, industrial, mineral, or public utility property predominates in one county within the taxing jurisdiction and another class of property predominates in another county within that same taxing jurisdiction. If one or more of these factors are present, the board may order the apportionment of the levy.*

Notwithstanding any other provision, the levy for the metropolitan mosquito control district, metropolitan council, metropolitan transit district, and metropolitan transit area must be apportioned without regard to the percentage difference.

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

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

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

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

Sec. 4. Minnesota Statutes 1984, section 272.02, subdivision 1, is amended to read:

Subdivision 1. All property described in this section to the extent herein limited shall be exempt from taxation:

- (1) All public burying grounds;
- (2) All public schoolhouses;
- (3) All public hospitals;
- (4) All academies, colleges, and universities, and all seminaries of learning;
- (5) All churches, church property, and houses of worship;
- (6) Institutions of purely public charity except parcels of property containing structures and the structures assessed pursuant to section 273.13, subdivisions 17, 17b, 17c or 17d;
- (7) All public property exclusively used for any public purpose;
- (8) Except for the taxable personal property enumerated below, all personal property and the property described in section 272.03, subdivision 1, clause (c) shall be exempt.

The following personal property shall be taxable:

- (a) personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, *crude oil*, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures;
- (b) railroad docks and wharves which are part of the operating property of a railroad company as defined in section 270.80;
- (c) personal property defined in section 272.03, subdivision 2, clause (3);
- (d) leasehold or other personal property interests which are taxed pursuant to section 272.01, subdivision 2; 273.13, subdivision 7b or 7d; or 273.19, subdivision 1; or any other law providing the property is taxable as if the lessee or user were the fee owner;
- (e) property classified as class 2a property; and
- (f) flight property as defined in section 270.071.
- (9) Real and personal property used primarily for the abatement and con-

trol of air, water, or land pollution to the extent that it is so used, other than real property used primarily as a solid waste disposal site.

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an application with the commissioner of revenue. The equipment or device shall meet standards, regulations or criteria prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property qualifies for exemption, he shall issue an order exempting the property from taxation. The equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota Pollution Control Agency remains in effect.

(10) Wetlands. For purposes of this subdivision, "wetlands" means (1) land described in section 105.37, subdivision 15, or (2) land which is mostly under water, produces little if any income, and has no use except for wildlife or water conservation purposes, provided it is preserved in its natural condition and drainage of it would be legal, feasible, and economically practical for the production of livestock, dairy animals, poultry, fruit, vegetables, forage and grains, except wild rice. "Wetlands" shall include adjacent land which is not suitable for agricultural purposes due to the presence of the wetlands. "Wetlands" shall not include woody swamps containing shrubs or trees, wet meadows, meandered water, streams, rivers, and floodplains or river bottoms. Exemption of wetlands from taxation pursuant to this section shall not grant the public any additional or greater right of access to the wetlands or diminish any right of ownership to the wetlands.

(11) Native prairie. The commissioner of the department of natural resources shall determine lands in the state which are native prairie and shall notify the county assessor of each county in which the lands are located. Pasture land used for livestock grazing purposes shall not be considered native prairie for the purposes of this clause and section 273.116. Upon receipt of an application for the exemption and credit provided in this clause and section 273.116 for lands for which the assessor has no determination from the commissioner of natural resources, the assessor shall refer the application to the commissioner of natural resources who shall determine within 30 days whether the land is native prairie and notify the county assessor of his decision. Exemption of native prairie pursuant to this clause shall not grant the public any additional or greater right of access to the native prairie or diminish any right of ownership to it.

(12) Property used in a continuous program to provide emergency shelter for victims of domestic abuse, provided the organization that owns and sponsors the shelter is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1954, as amended through December 31, 1982, notwithstanding the fact that the sponsoring organization receives funding under section 8 of the United States Housing Act of 1937, as amended.

(13) If approved by the governing body of the municipality in which the property is located, property not exceeding one acre which is owned and

operated by any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation, and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders; provided the property is used primarily as a clubhouse, meeting facility or recreational facility by the group or association and the property is not used for residential purposes on either a temporary or permanent basis.

(14) To the extent provided by section 295.44, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power on a site owned by the state or a local governmental unit which is developed and operated pursuant to the provisions of section 105.482, subdivisions 1, 8 and 9.

(15) If approved by the governing body of the municipality in which the property is located, and if construction is commenced after June 30, 1983:

(a) a "direct satellite broadcasting facility" operated by a corporation licensed by the federal communications commission to provide direct satellite broadcasting services using direct broadcast satellites operating in the 12-ghz. band;

(b) a "fixed satellite regional or national program service facility" operated by a corporation licensed by the federal communications commission to provide fixed satellite-transmitted regularly scheduled broadcasting services using satellites operating in the 6-ghz. band; and

(c) a facility at which a licensed Minnesota manufacturer produces distilled spirituous liquors, liqueurs, cordials, or liquors designated as specialties regardless of alcoholic content, but not including ethyl alcohol, distilled with a majority of the ingredients grown or produced in Minnesota. An exemption provided by paragraph (15) shall apply for a period not to exceed five years. When the facility no longer qualifies for exemption, it shall be placed on the assessment rolls as provided in subdivision 4. Before approving a tax exemption pursuant to this paragraph, the governing body of the municipality shall provide an opportunity to the members of the county board of commissioners of the county in which the facility is proposed to be located and the members of the school board of the school district in which the facility is proposed to be located to meet with the governing body. The governing body shall present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption shall not be approved by the governing body until the county board of commissioners has presented its written comment on the proposal to the governing body, or 30 days has passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.

The exemptions granted by this subdivision shall be subject to the limits contained in the other subdivisions of this section, section 272.025, or section 273.13, subdivisions 17, 17b, 17c, or 17d.

(16) Real and personal property owned and operated by a private, nonprofit corporation exempt from federal income taxation pursuant to United States Code, title 26, section 501(c)(3), primarily used in the generation and distribution of hot water for heating buildings and structures.

Sec. 5. Minnesota Statutes 1984, section 273.123, subdivision 5, is

amended to read:

Subd. 5. [COMPUTATION OF CREDITS.] The amounts of any ~~home-~~~~stead, agricultural, or similar~~ credits or tax relief which reduce the gross tax shall be computed upon the reassessed value determined under subdivision 2. *Payment shall be made pursuant to section 273.13, subdivision 15a.* For purposes of the property tax refund, property taxes payable, as defined in section 290A.03, subdivision 13, and net property taxes payable, as defined in section 290A.04, subdivision 2d, shall be computed upon the reassessed value determined under subdivision 2.

Sec. 6. Minnesota Statutes 1984, section 273.13, subdivision 4, is amended to read:

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

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

Sec. 7. Minnesota Statutes 1984, section 273.138, subdivision 5, is amended to read:

Subd. 5. The commissioner of revenue shall calculate the aids pursuant to subdivisions 2 and 3, basing all necessary calculations on the abstracts of assessment of real property for assessment year 1972 transmitted to the commissioner of revenue pursuant to section 270.11 as equalized by the state board of equalization pursuant to sections 270.11 and 270.12, and the 1973 abstracts of tax lists transmitted by the county auditors pursuant to section 275.29. He shall ~~make payments~~ *pay* directly to the affected taxing authorities ~~in two equal parts on July 15 and November 15 of each year, commene-~~

ing in 1974 their total payment for the year at the time distributions are made pursuant to section 273.13, subdivision 15a.

Sec. 8. [273.1393] [COMPUTATION OF NET PROPERTY TAXES.]

Notwithstanding any other provisions to the contrary, "net" property taxes are determined by subtracting the credits in the order listed from the gross tax:

- (1) disaster credit as provided in section 273.123;
- (2) wetlands credit as provided in section 273.115;
- (3) native prairie credit as provided in section 273.116;
- (4) powerline credit as provided in section 273.42;
- (5) agricultural preserves credit as provided in section 473H.10;
- (6) enterprise zone credit as provided in section 273.1314;
- (7) state school agricultural credit as provided in section 124.2137;
- (8) state paid homestead credit as provided in section 273.13, subdivisions 6 and 7;
- (9) taconite homestead credit as provided in section 273.135;
- (10) supplemental homestead credit as provided in section 273.1391.

The combination of all property tax credits must not exceed the gross tax amount.

Sec. 9. Minnesota Statutes 1984, section 273.19, subdivision 1, is amended to read:

Subdivision 1. Except as provided in subdivision 3 or 4, property held under a lease for a term of three or more years, and not taxable under section 272.01, subdivision 2, ~~clause (b)(1)~~, or under a contract for the purchase thereof, when the property belongs to the United States, to the state, or to any religious, scientific, or benevolent society or institution, incorporated or unincorporated, or to any railroad company or other corporation whose property is not taxed in the same manner as other property, or when the property is school or other state lands, shall be considered, for all purposes of taxation, as the property of the person so holding the same. *This subdivision does not apply to property exempt from taxation under section 272.01, subdivision 2, clause (b)(2).*

Sec. 10. Minnesota Statutes 1984, section 273.33, subdivision 1, is amended to read:

Subdivision 1. The personal property of express, stage and transportation companies, and of pipeline companies engaged in the business of transporting natural gas, gasoline, *crude oil*, or other petroleum products except as otherwise provided by law, shall be listed and assessed in the county, town or district where the same is usually kept.

Sec. 11. Minnesota Statutes 1984, section 273.33, subdivision 2, is amended to read:

Subd. 2. The personal property, consisting of the pipeline system of

mains, pipes and equipment attached thereto, of pipeline companies and others engaged in the operations or business of transporting natural gas, gasoline, *crude oil*, or other petroleum products by pipe lines, shall be listed with and assessed by the commissioner of revenue. This subdivision shall not apply to the assessment of the products transported through the pipe lines nor to the lines of local commercial gas companies engaged primarily in the business of distributing gas to consumers at retail nor to pipe lines used by the owner thereof to supply natural gas or other petroleum products exclusively for such owner's own consumption and not for resale to others. On or before the fifteenth day of November, the commissioner shall certify to the auditor of each county, the amount of such personal property assessment against each company in each district in which such property is located.

Sec. 12. Minnesota Statutes 1984, section 279.01, subdivision 1, is amended to read:

Subdivision 1. On May 16, of each year, with respect to property actually occupied and used as a homestead by the owner of the property, a penalty of three percent shall accrue and thereafter be charged upon all unpaid taxes on real estate on the current lists in the hands of the county treasurer, and a penalty of seven percent on nonhomestead property, except that this penalty shall not accrue until June 1 of each year on commercial use real property used for seasonal residential recreational purposes and classified as class 3 or 3a, and on other commercial use real property classified as class 4c, provided that over 60 percent of the gross income earned by the enterprise on the class 4c property is earned during the months of May, June, July, and August. Any property owner of such class 4c property who pays the first half of the tax due on the property after May 15 and before June 1 shall attach an affidavit to his payment attesting to compliance with the income provision of this subdivision. Thereafter, for both homestead and nonhomestead property, on the 16th day of each month, up to and including October 16 following, an additional penalty of one percent for each month shall accrue and be charged on all such unpaid taxes. When the taxes against any tract or lot exceed \$40 \$50, one-half thereof may be paid prior to May 16 and, if so paid, no penalty shall attach; the remaining one-half shall be paid at any time prior to October 16 following, without penalty; but, if not so paid, then a penalty of four percent shall accrue thereon for homestead property and a penalty of four percent on nonhomestead property. Thereafter, for homestead property, on the 16th day of each month up to and including December 16 following, an additional penalty of two percent for each month shall accrue and be charged on all such unpaid taxes. Thereafter, for nonhomestead property, on the 16th day of each month up to and including December 16 following, an additional penalty of four percent for each month shall accrue and be charged on all such unpaid taxes. If one-half of such taxes shall not be paid prior to May 16, the same may be paid at any time prior to October 16, with accrued penalties to the date of payment added, and thereupon no penalty shall attach to the remaining one-half until October 16 following; provided, also, that the same may be paid in installments as follows: One-fourth prior to March 16; one-fourth prior to May 16; one-fourth prior to August 16; and the remaining one-fourth prior to October 16, subject to the aforesaid penalties. Where the taxes delinquent after October 16 against any tract or parcel exceed \$40 \$100, *upon resolution of the county board*, they may be paid in installments of not less than 25 percent thereof, together with all accrued penalties and costs, up to the next tax judgment sale, and after such payment, penalties, interest, and costs shall accrue only on the sum remaining unpaid. Any county treasurer who shall make out and deliver or countersign any receipt for any such taxes

without including all of the foregoing penalties therein, shall be liable to the county for the amount of such penalties.

Sec. 13. Minnesota Statutes 1984, section 282.01, subdivision 6, is amended to read:

Subd. 6. [DUTIES OF COMMISSIONER OF REVENUE; ISSUANCE OF CONVEYANCE.] When any sale has been made by the county auditor under sections 282.01 to 282.13, he shall immediately certify to the commissioner of revenue such information relating to such sale, on such forms as the commissioner of revenue may prescribe as will enable the commissioner of revenue to prepare an appropriate deed if the sale is for cash, or keep his necessary records if the sale is on terms; and not later than October 31 of each year the county auditor shall submit to the commissioner of revenue a statement of all instances wherein any payment of principal, interest, or current taxes on lands held under certificate, due or to be paid during the preceding calendar years, are still outstanding at the time such certificate is made. When such statement shows that a purchaser or his assignee is in default, the commissioner of revenue may instruct the county board of the county in which the land is located to cancel said certificate of sale in the manner provided by subdivision 5, provided that upon recommendation of the county board, and where the circumstances are such that the commissioner of revenue after investigation is satisfied that the purchaser has made every effort reasonable to make payment of both the annual instalment and said taxes, and that there has been no wilful neglect on the part of the purchaser in meeting these obligations, then the commissioner of revenue may extend the time for the payment for such period as he may deem warranted, not to exceed one year. On payment in full of the purchase price, appropriate conveyance in fee, in such form as may be prescribed by the attorney general, shall be issued by the commissioner of revenue, which conveyance *must be recorded by the county and* shall have the force and effect of a patent from the state subject to easements and restrictions of record at the date of the tax judgment sale, including, but without limitation, permits for telephone, telegraph, and electric power lines either by underground cable or conduit or otherwise, sewer and water lines, highways, railroads, and pipe lines for gas, liquids, or solids in suspension.

Sec. 14. Minnesota Statutes 1984, section 282.014, is amended to read:

282.014 [COMPLETION OF SALE AND CONVEYANCE.]

Upon compliance by the purchaser with the provisions of sections 282.011 to 282.015 and with the terms and conditions of the sale, and upon full payment for the land, plus a \$10 fee in addition to the sale price, the sale shall be complete and a conveyance of the land shall be issued to the purchaser as provided by the appropriate statutes according to the status of the land upon forfeiture.

The conveyance must be forwarded to the county recorder who shall record the conveyance before the auditor issues it to the purchaser.

Sec. 15. Minnesota Statutes 1984, section 282.301, is amended to read:

282.301 [RECEIPTS FOR PAYMENTS.]

The purchaser shall receive from the county auditor at the time of repur-

chase a receipt, in such form as may be prescribed by the attorney general. When the purchase price of a parcel of land shall be paid in full, the following facts shall be certified by the county auditor to the commissioner of revenue of the state of Minnesota: the description of land, the date of sale, the name of the purchaser or his assignee, and the date when the final instalment of the purchase price was paid. Upon payment in full of the purchase price, the purchaser or his assignee shall receive a quitclaim deed from the state, to be executed by the commissioner of revenue. *The deed must be sent to the county recorder for recording before it is forwarded to the purchaser.* Failure to make any payment herein required shall constitute default and upon such default and cancellation in accord with section 282.40, the right, title and interest of the purchaser or his heirs, representatives, or assigns in such parcel shall terminate.

Sec. 16. Minnesota Statutes 1984, section 282.33, subdivision 1, is amended to read:

Subdivision 1. Whenever an unrecorded deed from the state of Minnesota conveying tax-forfeited lands shall have been lost or destroyed, an application, in form approved by the attorney general, for a new deed may be made by the grantee or his successor in interest to the commissioner of revenue. If it appears to the commissioner of revenue that the facts stated in the petition are true, he shall issue a new deed to the original grantee, in form approved by the attorney general, with like effect as the original deed. *The commissioner shall send the new deed to the county recorder, who after recording the deed will forward it to the county auditor.* The application shall be accompanied by a fee of \$10, payable to the commissioner of revenue, which shall be deposited with the state treasurer and credited to the general fund.

Sec. 17. Minnesota Statutes 1984, section 282.36, is amended to read:

282.36 [FEES PAYABLE TO REPURCHASER.]

Any person repurchasing land after forfeiture to the state for nonpayment of taxes under the provisions of a repurchase law shall at the time the certificate of repurchase is issued *and recorded* by the county auditor or before receiving quit claim deed pursuant thereto, pay to the county treasurer a fee of \$3. Fees so collected during any calendar year shall be credited to a special fund and, upon a warrant issued by the county auditor on or before March 1 of the year following, shall be remitted to the state treasurer and credited to the general fund. The commissioner of revenue shall, on or before February 1 in each year, certify to the state treasurer the number of deeds issued during the preceding calendar year to which these fees apply, showing by counties the number of deeds so issued and the total fees due therefor. This section shall not apply to repurchases made under any law enacted prior to January 1, 1945.

Sec. 18. Minnesota Statutes 1984, section 287.25, is amended to read:

287.25 [PAYMENT OF TAX; STAMPS.]

The county board shall determine the method for collection of the tax imposed by section 287.21:

(1) The tax imposed by section 287.21 ~~shall~~ *may* be paid by the affixing of a documentary stamp or stamps in the amount of the tax to the document or

instrument with respect to which the tax is paid, provided that the commissioner of revenue may, in exceptional cases, permit the payment of the tax without the affixing of the documentary stamps and in such cases shall, upon receipt of the tax, endorse his receipt for such tax upon the face of the document or instrument. In such case the commissioner of revenue shall deposit the amount received in payment of the tax with the state treasurer to the credit of the general fund.

(2) The tax imposed by section 287.21 may be paid in the manner prescribed by section 287.08 relating to payment of mortgage registration tax.

Sec. 19. Minnesota Statutes 1984, section 294.22, is amended to read:

294.22 [GROSS EARNINGS TAX; COMPUTATION.]

Every company owning or operating any taconite railroad shall pay annually into the state treasury a sum of money equal to five percent of the gross earnings derived from the operation of such taconite railway within the state. The gross earnings of such a taconite railroad company from the transportation of taconite concentrates from the Mesabi Range to ports on Lake Superior, for all purposes hereof, shall be a sum of money equal to the amount which would be charged under established tariffs of common carriers for the transportation of an equal tonnage of iron ore *or taconite concentrates, whichever is shipped* from Mesabi Range points to ports at the head of Lake Superior, including the established charges for loading such ore on boats. For all purposes of chapter 298 the ~~amount~~ rate of the gross earnings as so calculated shall be treated as the cost of transportation of such concentrates *or iron ore* between such points. If such a taconite railroad company transports coal or any other commodity, except taconite concentrates, its gross earnings shall include an amount equal to the established tariffs of common carriers for the transportation of the same quantities of similar commodities for corresponding distances, not, however, including any such charges for any such commodities used or intended to be used in the construction, operation or maintenance of such railroad.

Sec. 20. Minnesota Statutes 1984, section 298.01, subdivision 1, is amended to read:

Subdivision 1. Every person engaged in the business of mining or producing iron ore or other ores in this state shall pay to the state of Minnesota an occupation tax equal to ~~45.5~~ 15 percent of the valuation of all ores ~~except taconite, semi-taconite and iron sulphides mined or produced after December 31, 1971 and iron ores mined or produced after December 31, 1984.~~ Said tax shall be in addition to all other taxes provided for by law and shall be due and payable from such person on or before June 15 of the year next succeeding the calendar year covered by the report thereon to be filed as hereinafter provided.

Sec. 21. Minnesota Statutes 1984, section 298.02, subdivision 1, is amended to read:

Subdivision 1. [CREDIT.] For the purpose of increasing employment and the utilization of low-grade, underground, and high labor cost ores any taxpayer on whom a tax is imposed by reason of the provisions of section 298.01, subdivisions 1 and 2, shall be allowed a credit against the occupation tax as computed in that section because of the mining or production of ore

from any mine, in an amount calculated as follows:

(a) In the case of underground *all* mines or that tonnage of merchantable ore produced in open pit mines in the year in question which tonnage has resulted from beneficiation at an ore beneficiation plant within the state by jigging, heavy media, spiral separation, cyclone process, roasting, drying by artificial heat, sintering, magnetic separation, flotation, agglomeration or any process requiring fine grinding or any other iron ores mined after December 31, 1984, ten percent of that part of the cost of labor employed by the mine or in the beneficiation of all ore mined or produced in the calendar year in excess of 70 cents and not in excess of 90 cents per ton of the merchantable ore produced during the year at that mine, and 15 percent of that part of the cost of such labor in excess of 90 cents per ton; in the case of any other tonnage produced at said mine or in the case of other mines, ten percent of the amount by which the average cost per ton of labor employed at the mine, or in the beneficiation of the ore at or near the mine, exceeds 80 cents, but does not exceed \$1.05, plus 15 percent of the amount by which the average labor cost per ton exceeds \$1.05, multiplied by the number of tons of ore produced at the mine, not exceeding 100,000 tons, but this 100,000 tons or less shall be first reduced by any tonnage described in the first part of this subparagraph; provided, however, that in no event shall the credit allowed hereunder be in excess of three-fourths of eleven percent, as applied to underground and taconite, semi-taconite or other iron ore operations, and six-tenths of eleven percent as applied to all other operations, of the valuation of the ore used in computing the tax under the provisions of section 298.01. The term "merchantable ore produced" as used herein means ores which as mined or as mined and beneficiated, are ready for shipment as a merchantable product.

(b) The aggregate amount of all credits allowed under this subdivision to all mines shall not exceed six and two-tenths percent of the aggregate amount of occupation taxes imposed under section 298.01, subdivision 1, assessed against all mines in the state for said year prior to the deduction of such credits; provided, that after December 31, 1954, labor credits to underground mines or taconite or semi-taconite operations shall not be subject to such percentage limitation and that, after December 31, 1984, labor credits to other iron ore operations shall not be subject to the percentage limitation and both the occupation taxes of such underground mines or taconite, semi-taconite or other iron ore operations and the labor credits allowed thereto, shall be excluded in calculating such percentage limitations. At the time of his final determination of occupation tax pursuant to section 298.09, subdivision 3, the commissioner shall reduce the credit otherwise allowable to each mine hereunder by such equal percentage as will bring the total within such limitation. If an equal percentage reduction is made in the labor credits of mines pursuant to this subparagraph at the time of certification to the commissioner of revenue as set forth in section 298.10, the same percentage will be used where changes are made pursuant to section 298.09, subdivision 4, subsequent to June 1. Also if no reduction is made at the time of certification by the commissioner of revenue on or before June 1, pursuant to this subdivision and section 298.10, no reduction will be made subsequent to June 1, due to changes made pursuant to section 298.09, subdivision 4. This subparagraph shall apply to occupation tax calculations in calendar years subsequent to December 31, 1952.

298.225 [APPROPRIATION.]

For distribution of taconite production tax in 1985 and thereafter with respect to production in 1984 and thereafter, the recipients of the taconite production tax as provided in section 298.28, subdivision 1, clauses (1) to (4) and (5)(b), (7), and (8)(a), shall receive distributions equal to the amount distributed to them pursuant to sections 298.225 and 298.28, subdivision 1, with respect to 1983 production if the production for the year prior to the distribution year is no less than 42,000,000 taxable tons. If the production is less than 42,000,000 taxable tons, the amount of the distributions shall be reduced *by proportionately at the rate of two percent for each 1,000,000 tons, or part of 1,000,000 tons by which the production is less than 42,000,000 tons.* There is hereby appropriated to the commissioner of revenue from the taconite environmental protection fund and the corpus of the northeast Minnesota economic protection trust fund in equal proportions the amount needed to make the above payments.

If a taconite producer ceases beneficiation operations permanently and is required by a special law to make bond payments for a school district, the northeast Minnesota economic protection trust fund shall assume the payments of the taconite producer if the producer ceases to make the needed payments. There is hereby appropriated from the corpus of the northeast Minnesota economic protection trust fund to the commissioner of revenue the amounts needed to make these school bond payments.

Sec. 23. Minnesota Statutes 1984, section 298.28, subdivision 1, is amended to read:

Subdivision 1. [DISTRIBUTION FROM GENERAL FUND.] The proceeds of the taxes collected under section 298.24, except the tax collected under section 298.24, subdivision 2, shall, upon certificate of the commissioner of revenue to the general fund of the state, be paid by the commissioner of revenue as follows:

(1) 2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton," to the city or town in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner.

(2) 12.5 cents per taxable ton, less any amount distributed under clause (8), *paragraph (a)*, to the taconite municipal aid account in the apportionment fund of the state treasury, to be distributed as provided in section 298.282.

(3) 29 cents per taxable ton plus the increase provided in paragraph (c) to

qualifying school districts to be distributed as follows:

(a) Six cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) 23 cents per taxable ton, less any amount distributed under part (d), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its certified levy for the prior year, computed pursuant to sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 275.125, comprises of the sum of certified levies for the prior year for all qualifying districts, computed pursuant to sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 275.125. For purposes of distributions pursuant to this part, certified levies for the prior year computed pursuant to sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 275.125 shall not include the amount of any increased levy authorized by referendum pursuant to section 124A.03, subdivision 2.

(c) On July 15, in years prior to 1988, an amount equal to the increase derived by increasing the amount determined by clause (3)(b) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in clause (3)(b) where a levy increase pursuant to section 124A.03, subdivision 2, is authorized by referendum, according to the following formula. On July 15, 1988 and subsequent years, the increase over the amount established for the prior year shall be determined according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1, paragraph (a). Each district shall receive the product of:

(i) \$150 times the pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), enrolled in the second previous school year, less the product of two mills times the district's taxable valuation in the second previous year; times

(ii) the lesser of:

(A) one, or

(B) the ratio of the amount certified pursuant to section 124A.03, subdivision 2, in the previous year, to the product of two mills times the district's taxable valuation in the second previous year.

If the total amount provided by clause (3)(c) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to clause (3)(c) shall not be applied to reduce foundation aids which the district is

entitled to receive pursuant to section 124A.02 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of finance who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in section 298.28, subdivision 1, clause 10.

(d) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

(4) 19.5 cents per taxable ton to counties to be distributed as follows:

(a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be distributed by the commissioner of revenue to the county in which the power plant is located.

(c) Four cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 17.75 cents per taxable ton, less any amount required to be distributed under part (b), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be distributed by the commissioner of revenue to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.

(6) One cent per taxable ton to the state for the cost of administering the tax imposed by section 298.24.

(7) Three cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. The amount determined in this clause shall be increased in 1981 and subsequent years prior to

1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1 and shall be increased in 1988 and subsequent years according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1. The amount distributed pursuant to this clause shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this clause may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

(8) (a) .20 cent per taxable ton shall be paid to the range association of municipalities and schools, for the purpose of providing an area wide approach to problems which demand coordinated and cooperative actions and which are common to those areas of northeast Minnesota affected by operations involved in mining iron ore and taconite and producing concentrate therefrom, and for the purpose of promoting the general welfare and economic development of the cities, towns and school districts within the iron range area of northeast Minnesota.

(b) 1.5 cents per taxable ton shall be paid to the northeast Minnesota economic protection trust fund.

(9) the amounts determined under clauses (4)(a), (4)(c), (5), and (8)(b) shall be increased in 1979 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. Those amounts shall be increased in 1988 and subsequent years in the same proportion as the increase in the implicit price deflator as provided in section 298.24, subdivision 1.

(10) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (9) and parts (a) and (b) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection trust fund created in section 298.292 as follows: Two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection trust fund. The proceeds shall be placed in the respective special accounts in the general fund.

(a) There shall be distributed to each city, town, school district, and county the amount that they received under section 294.26 in calendar year 1977; provided, however, that the amount distributed in 1981 to the unorganized territory number 2 of Lake County and the town of Beaver Bay based on the between-terminal trackage of Erie Mining Company will be distributed in 1982 and subsequent years to the unorganized territory number 2 of Lake County and the towns of Beaver Bay and Stony River based on the miles of track of Erie Mining Company in each taxing district.

(b) There shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977 under section 298.22.

On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of revenue an estimate of the

amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. The commissioner of revenue shall annually on or before October 10 report an estimated distribution amount to each taxing district and the officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such county or city in the year in which such estimate is made, and payable in the next ensuing calendar year, except that one cent per taxable ton of the amount distributed under clause (4)(c) shall not be deducted in calculating the permissible levy. In any calendar year in which a general property tax levy subject to sections 275.50 to 275.59 has been made, if the taxes distributable to any such county or city are greater than the amount estimated by the commissioner to be paid to any such county or city in such year, the excess of such distribution shall be held in a special fund by the county or city and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.50 to 275.59, of such county or city payable in such year. If the amounts distributable to any such county or city after final determination by the commissioner of revenue under this section are less than the amounts by which a taxing district's levies were reduced pursuant to this section, such county or city may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the range association of municipalities and schools, to the taconite environmental protection fund, and to the northeast Minnesota economic protection trust fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually.

Sec. 24. Minnesota Statutes 1984, section 299.01, subdivision 1, is amended to read:

Subdivision 1. There shall be levied and collected upon all royalty received during each calendar year for permission to explore, mine, take out and remove ore ~~other than taconite, semi-taconite and iron sulphides~~ from land in this state, a tax of ~~15.5~~ 15 percent ~~after December 31, 1971.~~

Sec. 25. Minnesota Statutes 1984, section 299.012, subdivision 1, is amended to read:

Subdivision 1. For the purpose of increasing the utilization of low grade, underground, and high labor cost ores and taconites, the royalty tax levied by virtue of section 299.01, ~~subdivisions 1 and 2,~~ on royalty received because of the production of ores in any calendar year from land forming part of any mine which was in production during said year, shall be reduced by a credit in an amount which will make the net effective tax rate thereon equal to the net effective rate of the occupation tax imposed pursuant to section 298.01, because of the production of ores during such calendar year from the mine of which such land forms a part, after the application of the credits against such occupation tax allowed under section 298.02; provided, if such mine produced ore in such calendar year, but the ore produced had no valuation for occupation tax purposes because of the allowable deductions equaling or exceeding the value of the ore produced, the credit allowed hereunder shall be three-fourths of eleven percent, ~~as applied to underground, taconite, semi-taconite and other iron ore operations, and six-tenths of eleven percent as applied to all other operations,~~ of the royalty received. Any person making payments of royalty taxes in advance of the final determination of such taxes, may assume for the purposes of section 299.08, that the net rate of the tax for the calendar year in question shall be the last full year's net effective occupation tax rate known at the time of the first payment of royalty tax during the current calendar year.

Sec. 26. Minnesota Statutes 1984, section 473H.10, subdivision 3, is amended to read:

Subd. 3. (a) After the assessor has determined the market value of all land valued according to subdivision 2, he shall compute the assessed value of those properties by applying the appropriate classification percentages. When the county auditor computes the rate of tax pursuant to section 275.08, he shall include the assessed value of land as provided in this clause.

(b) The county auditor shall compute the tax on lands valued according to subdivision 2 and nonresidential buildings by multiplying the assessed value times the total rate of tax for all purposes as provided in clause (a).

(c) The county auditor shall then compute the maximum ad valorem property tax on lands valued according to subdivision 2 and nonresidential buildings by multiplying the assessed value times 105 percent of the previous year's statewide average mill rate levied on property located within townships for all purposes.

(d) The tax due and payable by the owner of preserve land valued according to subdivision 2 and nonresidential buildings will be the amount determined in clause (b) or (c), whichever is less. If the gross tax in clause (c) is less than the gross tax in clause (b), the state shall reimburse the taxing jurisdictions for the amount of difference. Residential buildings shall continue to be valued and classified according to the provisions of sections 273.11 and 273.13, as they would be in the absence of this section, and the tax on those buildings shall not be subject to the limitation contained in this clause.

The county auditor shall certify to the commissioner of revenue on or before June 1 the total amount of tax lost to the taxing jurisdictions located within his county as a result of this subdivision. Payments shall be made by the state ~~annually on or before July 15 as provided in section 273.13, subd. 15a~~ to each of the affected taxing jurisdictions. There is annually appropriated from the general fund in the state treasury to the commissioner of revenue an amount sufficient to make the reimbursement provided in this subdivision.

Sec. 27. Minnesota Statutes 1984, section 508.47, subdivision 4, is amended to read:

Subd. 4. [SURVEY; REQUISITES; FILING; COPIES.] The registered land survey shall correctly show the legal description of the parcel of unplatted land represented by said registered land survey and the outside measurements of the parcel of unplatted land and of all tracts delineated therein, the direction of all lines of said tracts to be shown by angles or bearings or other relationship to the outside lines of said registered land survey, and the surveyor shall place stakes in the ground at appropriate corners, and all tracts shall be lettered consecutively beginning with the letter "A". None of said tracts or parts thereof may be dedicated to the public by said registered land survey. Except in counties having microfilming capabilities, a reproduction copy of the registered land survey shall be delivered to the county auditor. The registered land survey shall be on paper, mounted on cloth, shall be a black on white drawing, the scale to be not smaller than one inch equals 200 feet, and shall be certified to be a correct representation of said parcel of unplatted land by a registered surveyor. The mounted drawing shall be exactly 17 inches by 14 inches and not less than 2 1/2 inches of the 14 inches shall be blank for binding purposes, and such survey shall be filed in triplicate with the registrar of titles upon the payment of a fee of \$15. Before filing, however, any such survey shall be approved in the manner required for the approval of subdivision plats, which approval shall be endorsed thereon or attached thereto.

At the time of filing, a certificate from the treasurer that current taxes have been paid must be presented before the survey is accepted by the registrar for filing.

In counties having microfilming capabilities, the survey may be prepared on sheets of suitable mylar or on linen tracing cloth by photographic process or on material of equal quality. Notwithstanding any provisions of subdivision 5 to the contrary, no other copies of the survey need be filed.

The registrar shall furnish to any person a copy of said registered land survey, duly certified by him, for a fee of \$7.50, which shall be admissible in evidence.

Sec. 28. Minnesota Statutes 1984, section 508.71, subdivision 4, is amended to read:

Subd. 4. [REGISTRATION OF MEMORIALS.] Without order of court or directive of the examiner, the registrar of titles may receive and register as memorials upon any certificate of title to which they pertain, the following instruments: receipt or certificate of county treasurer showing redemption from any tax sale or payment of any tax described in a certificate of title, a *state deed issued to purchaser of tax forfeited land*, a certified copy of a marriage certificate showing the subsequent marriage of any owner shown by a certificate of title to be unmarried, a certified copy of a final decree of divorce or dissolution of a marriage entered in the state of Minnesota, or in any state, territory or possession of the United States, or the District of Columbia to establish the dissolution of a marriage relationship of any party shown on the certificate to be married, and a certified copy of the death certificate of party listed in any certificate of title as being the spouse of the registered owner when accompanied by an affidavit satisfactory to the registrar identifying the decedent with the spouse. In all subsequent dealings with the land covered by the certificates, the registrar shall give full faith to these memorials.

Sec. 29. Minnesota Statutes 1984, section 559.21, is amended by adding a subdivision to read:

Subd. 8. [APPLICATION.] The provisions of this section relating to payment of mortgage registration tax as a requirement of the cancellation process only apply to those contracts for deed subject to payment of mortgage registration tax at time of recording.

Sec. 30. [REPEALER.]

(a) Minnesota Statutes 1984, sections 298.01, subdivision 2; and 299.01, subdivision 2, are repealed.

(b) Minnesota Statutes 1984, section 477A.04 is repealed.

Sec. 31. [EFFECTIVE DATE.]

Sections 1 to 8 and 10 to 12 are effective for taxes levied in 1985 and thereafter, payable in 1986 and thereafter. Sections 9, 13 to 19 and 26 to 29, are effective the day after final enactment. Sections 20 to 25 and 30, paragraph (a), are effective for ores produced after December 31, 1984."

Delete the title and insert:

"A bill for an act relating to taxation; modifying certain procedures relating to taxpayer appeals; requiring apportionment of levies in specific situations; clarifying the calculation of property tax credits; clarifying the tax treatment of certain pipelines; modifying provisions relating to the payment

of property taxes; providing for the recording of state deeds; modifying the deed stamp tax procedure; clarifying the computation of gross earnings tax for taconite railroads; clarifying labor credit provisions; modifying the taconite production tax distribution; reducing occupation and royalty tax rates for certain ore; clarifying process of taconite aid guarantee phase out; requiring payment of current taxes before conveyance of registered land; allowing for memorializing of state deeds on certificates of title; clarifying cancellation of contract for deed provisions; clarifying the tax exempt status of certain property used in connection with a public airport; amending Minnesota Statutes 1984, sections 270.076, subdivision 2; 270.11, subdivision 7; 270.12, subdivision 3; 272.02, subdivision 1; 273.123, subdivision 5; 273.13, subdivision 4; 273.138, subdivision 5; 273.19, subdivision 1; 273.33, subdivisions 1 and 2; 279.01, subdivision 1; 282.01, subdivision 6; 282.014; 282.301; 282.33, subdivision 1; 282.36; 287.25; 294.22; 298.01, subdivision 1; 298.02, subdivision 1; 298.225; 298.28, subdivision 1; 299.01, subdivision 1; 299.012, subdivision 1; 473H.10, subdivision 3; 508.47, subdivision 4; 508.71, subdivision 4; 559.21, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 273; repealing Minnesota Statutes 1984, sections 298.01, subdivision 2; 299.01, subdivision 2; and 477A.04."

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

Senate Conferees: (Signed) Douglas J. Johnson, Collin C. Peterson, Ron Sieloff

House Conferees: (Signed) Terry M. Dempsey, William H. Schreiber, John Himle

Mr. Johnson, D.J. moved that the foregoing recommendations and Conference Committee Report on S.F. No. 472 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 472 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 51 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kamrath	Peterson, D.C.	Spear
Anderson	Diessner	Kroening	Peterson, D.L.	Stumpf
Belanger	Frank	Kronebusch	Peterson, R.W.	Taylor
Berg	Frederickson	Laidig	Petty	Vega
Bernhagen	Freeman	Langseth	Pogemiller	Waldorf
Bertram	Gustafson	Lantry	Purfeerst	Wegscheid
Brataas	Hughes	Lessard	Ramstad	Willet
Chmielewski	Isackson	McQuaid	Reichgott	
Dahl	Johnson, D.E.	Novak	Renneke	
Davis	Johnson, D.J.	Olson	Schmitz	
DeCramer	Jude	Pehler	Sieloff	

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

MOTIONS AND RESOLUTIONS - CONTINUED**CONFIRMATION**

Mr. Lessard moved that the report from the Committee on Veterans and General Legislation, reported April 22, 1985, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Lessard moved that the foregoing report be now adopted. The motion prevailed.

Mr. Lessard moved that in accordance with the report from the Committee on Veterans and General Legislation, reported April 22, 1985, the Senate, having given its advice, do now consent to and confirm the appointments of:

BOARD OF THE ARTS

Leonard J. Nadasdy, 5515 Lake Sarah Hts. Dr., Loretto, Hennepin County, effective January 28, 1985, for a term expiring the first Monday in January, 1989.

James Nardone, 2607 Audrey Ln., Grand Rapids, Itasca County, effective January 28, 1985, for a term expiring the first Monday in January, 1989.

Bunny (Isabelle) Robinson, 6921 Olson Memorial Hwy., Golden Valley, Hennepin County, effective January 28, 1985, for a term expiring the first Monday in January, 1989.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Schmitz moved that the reports from the Committee on Local and Urban Government, reported April 22, 1985, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Schmitz moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Schmitz moved that in accordance with the reports from the Committee on Local and Urban Government, reported April 22, 1985, the Senate, having given its advice, do now consent to and confirm the appointments of:

**METROPOLITAN COUNCIL
CHAIRMAN**

Sandra S. Gardebring, 925 W. Hwy. 36, Roseville, Ramsey County, effective May 14, 1984, for a term expiring the first Monday in January, 1987.

**METROPOLITAN WASTE CONTROL COMMISSION
CHAIRMAN**

Peter E. Meintsma, 6709 - 46th Ave. N., Crystal, Hennepin County, effective June 23, 1984, for a term expiring the first Monday in January, 1987.

METROPOLITAN WASTE CONTROL COMMISSION

Bruce Baumann, 211 - 21st Ave. S., South St. Paul, Dakota County, ef-

fective January 15, 1985, for a term expiring January 1, 1989.

George Dahlvang, 4535 Washburn Ave. N., Minneapolis, Hennepin County, effective August 25, 1983, for a term expiring January 1, 1987.

Judith Fletcher, 2626 Southlawn Dr., Maplewood, Ramsey County, effective August 25, 1983, for a term expiring January 1, 1987.

JoEllen Hurr, 930 Partenwood Rd., Long Lake, Hennepin County, effective January 15, 1985, for a term expiring January 1, 1989.

Susan E. Kimberly, 911 Osceola Ave., St. Paul, Ramsey County, effective March 19, 1985, for a term expiring January 1, 1987.

Carol Kummer, 4818 - 30th Ave. S., Minneapolis, Hennepin County, effective August 25, 1983, for a term expiring January 1, 1987.

Mark Mahon, 8435 Portland Ave. S., Bloomington, Hennepin County, effective January 15, 1985, for a term expiring January 1, 1989.

Paul McCarron, 732 - 82nd Ave. N.E., Spring Lake Park, Anoka County, effective January 15, 1985, for a term expiring January 1, 1989.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Peterson, R.W. moved that H.F. No. 628 be taken from the table. The motion prevailed.

H.F. No. 628: A bill for an act relating to game and fish; enhancement of fish and wildlife; planning and implementation of wildlife management; conservation of marginal agricultural lands; habitat management; aspen recycling program; appropriating money; amending Minnesota Statutes 1984, sections 97.49, subdivision 3; 97.55, by adding a subdivision; 98.52, by adding a subdivision; 290.431; and 296.421, subdivisions 4 and 5; Laws 1985, chapter 4, section 10; proposing coding for new law in Minnesota Statutes, chapters 40, 84, and 88.

SUSPENSION OF RULES

Mr. Peterson, R.W. 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. 628 and that the rules of the Senate be so far suspended as to give H.F. No. 628 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 628 was read the second time.

Mr. Peterson, R.W. moved to amend H.F. No. 628 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 628, and insert the language after the enacting clause, and the title, of S.F. No. 723, the second engrossment.

The motion prevailed. So the amendment was adopted.

Mr. Kamrath moved to amend H.F. No. 628, as amended by the Senate May 20, 1985, as follows:

(The text of the amended House File is identical to S.F. No. 723.)

Page 8, after line 11, insert:

"Subd. 4. [LAND TO BE SOLD.] For each site acquired by the commissioner under this section, the commissioner shall offer for sale an equal area of land owned by the state in the county or adjacent to the county in which the site was acquired."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 29, as follows:

Those who voted in the affirmative were:

Belanger	Frederick	Kamrath	Mehrkens	Schmitz
Benson	Frederickson	Knutson	Peterson, D.L.	Storm
Bernhagen	Gustafson	Kronebusch	Purfeerst	Stumpf
Bertram	Isackson	Laidig	Ramstad	Taylor
Brataas	Johnson, D.E.	McQuaid	Renneke	

Those who voted in the negative were:

Adkins	Frank	Luther	Peterson, D.C.	Spear
Berg	Freeman	Merriam	Peterson, R.W.	Vega
Dahl	Hughes	Moe, R. D.	Petty	Waldorf
Davis	Jude	Nelson	Pogemiller	Wegscheid
Diessner	Lantry	Novak	Reichgott	Willet
Dieterich	Lessard	Pehler	Sieloff	

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

H.F. No. 628 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

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

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

Mr. Peterson, R.W. moved that S.F. No. 723 be laid on the table. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Reports of Committees.

REPORTS OF COMMITTEES

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

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

Senate Resolution No. 68: A Senate resolution stating the sense of the Senate that adequate funding for the Soil Conservation Service and the Agricultural Stabilization and Conservation Service should be restored.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved to adopt Senate Resolution No. 68.

Senate Resolution No. 68: A Senate resolution stating the sense of the Senate that adequate funding for the Soil Conservation Service and the Agricultural Stabilization and Conservation Service should be restored.

WHEREAS, agriculture is the major industry in Minnesota and directly affects the major part of our soil and water resources; and

WHEREAS, the National Resources Inventory identified that 13.5 million acres of our 23 million acres of cropland in Minnesota needs conservation treatment; and

WHEREAS, the Soil Conservation Service and the Agricultural Stabilization and Conservation Service are the two primary programs for preserving our invaluable cropland and preserving the quality of our waters; and

WHEREAS, the Soil Conservation Service provides technical assistance to landowners to ensure the protection of those resources; and

WHEREAS, the Agricultural Stabilization and Conservation Service provides the information and funding to enable landowners to install the practices needed to protect their soil; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota that the people of Minnesota need the Soil Conservation Service expertise, personnel, and programs to protect the productivity of our soil and the quality of our water resources. We also need the assistance of the Agricultural Stabilization and Conservation Service through the ACP program to ensure implementation of these resource protection measures. Adequate funding for the Soil Conservation Service and the Agricultural Stabilization and Conservation Service should be restored.

The motion prevailed. So the resolution was adopted.

Mr. Moe, R.D. introduced—

Senate Resolution No. 93: A Senate resolution relating to conduct of Senate business during the interim between sessions.

BE IT RESOLVED, by the Senate of the State of Minnesota:

The powers, duties and procedures set forth in this resolution apply during the interim between the adjournment of the 74th Legislature, 1985 session and the convening of the 74th Legislature, 1986 session.

The Subcommittee on Committees of the Committee on Rules and Administration shall appoint persons as necessary to fill any vacancies that may occur in committees, commissions, and other bodies whose members

are to be appointed by the Senate authorized by rule, statute, resolution, or otherwise.

The Committee on Rules and Administration shall establish positions, set compensation and benefits, appoint employees and authorize expense reimbursement as it deems proper to carry out the work of the Senate.

The Secretary of the Senate shall classify as "permanent" for purposes of Minnesota Statutes, sections 3.095 and 43A.24 the Senate employees certified as "permanent" by the Committee on Rules and Administration.

The Secretary of the Senate may employ after the close of the session the employees necessary to finish the business of the Senate at the salaries paid under the rules of the Senate for the 1985 regular session. The Secretary of the Senate may employ the necessary employees to prepare for the 1986 session at the salaries in effect at that time.

The Secretary of the Senate, as authorized and directed by the Committee on Rules and Administration, shall furnish each member of the Senate with postage and supplies, and may reimburse each member for long distance telephone calls and answering service upon proper verification of the expenses incurred, and for such other expenses authorized from time to time by the Committee on Rules and Administration.

The Secretary of the Senate shall correct and approve the Journal of the Senate for those days that have not been corrected and approved by the Senate, and shall correct printing errors found in the Journal of the Senate for the 1985 session. The Secretary of the Senate may include in the Senate Journal proceedings of the last day, appointments by the Subcommittee on Committees to interim commissions created by legislative action, permanent commissions or committees established by statute, standing committees, official communications and other matters of record received on or after May 20, 1985.

The Secretary of the Senate may pay election and litigation costs as authorized by the Committee on Rules and Administration.

The Secretary of the Senate, with the approval of the Committee on Rules and Administration, shall secure bids and enter into contracts for remodeling and improvement of Senate office space, and shall purchase all supplies, equipment, and other goods and services necessary to carry out the work of the Senate. Contracts in excess of \$5,000 must be signed by the Chairman of the Committee on Rules and Administration and another member designated by the Chairman.

The Secretary of the Senate shall draw warrants from the legislative expense fund in payment of the accounts referred to in this resolution.

All Senate records, including committee books, are subject to the direction of the Committee on Rules and Administration.

The Senate Chamber, retiring room, committee rooms, all conference rooms, storage rooms, Secretary of the Senate's office, Rules and Administration office, and any and all other space assigned to the Senate, are reserved for use by the Senate and its standing committees only and must not be released or used for any other purpose except upon the authorization of the Secretary of the Senate with the approval of the Committee on Rules and

Administration or its Chairman.

The Custodian of the Capitol shall continue to provide parking space for members and staff of the Legislature under Senate Concurrent Resolution No. 2.

The question was taken on the adoption of the resolution.

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

Those who voted in the affirmative were:

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

The motion prevailed. So the resolution was adopted.

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 House Concurrent Resolution, herewith transmitted:

House Concurrent Resolution No. 11: A House concurrent resolution relating to adjournment of the Senate and House of Representatives until 1986.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

MOTIONS AND RESOLUTIONS - CONTINUED

House Concurrent Resolution No. 11: A House concurrent resolution relating to adjournment of the Senate and House of Representatives until 1986.

BE IT RESOLVED by the House of Representatives, the Senate concurring

(1) Upon their adjournments on May 20, 1985, the House of Representatives may set its next day of meeting for February 3, 1986, at 2:00 p.m. and the Senate may set its next day of meeting for February 3, 1986, at 2:00 p.m.

(2) By the adoption of this resolution, each house consents to adjournment of the other house for more than three days.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

CONFERENCE COMMITTEE EXCUSED

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

excused for a Conference Committee on H.F. No. 268 from 7:00 to 10:30 p.m.:

Messrs. Merriam; Peterson, C.C. and Knaak. The motion prevailed.

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 that the House refuses to concur in the Senate amendments to House File No. 961:

H.F. No. 961: A bill for an act relating to water; providing for comprehensive local water management; authorizing counties to develop and implement county water and related land resources plans; providing additional authorities to counties; providing additional duties of the water resources board; amending Minnesota Statutes 1984, section 473.882, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 110B.

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

Johnson, Valan and Kalis have been appointed as such committee on the part of the House.

House File No. 961 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 20, 1985

Mr. Peterson, R.W. moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 961, 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.

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. 961: Messrs. Peterson, R.W.; Renneke and Merriam.

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 719 and the Conference Committee Report thereon were reported

to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 719

A bill for an act relating to wild animals; authorizing the commissioner of natural resources to permit, on an experimental basis, the taking of two deer by one hunter, under conditions and restrictions prescribed by order; requiring the removal of elk from the state; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 97.

May 20, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 719, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 719 be further amended as follows:

Page 1, line 24, after "state" insert " , specifically Marshall, Roseau, Pennington, and Beltrami counties, "

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

Senate Conferees: (Signed) LeRoy A. Stumpf, Keith Langseth, William V. Belanger, Jr.

House Conferees: (Signed) John T. Rose, Wally A. Sparby, Elton R. Redalen

Mr. Stumpf moved that the foregoing recommendations and Conference Committee Report on S.F. No. 719 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 719 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 51 and nays 8, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Laidig	Peterson, D.C.	Storm
Anderson	Frank	Langseth	Peterson, D.L.	Stumpf
Belanger	Frederickson	Lantry	Pogemiller	Taylor
Berg	Freeman	Luther	Purfeerst	Vega
Bernhagen	Gustafson	McQuaid	Ramstad	Waldorf
Bertram	Hughes	Mehrkins	Reichgott	Wegscheid
Chmielewski	Isackson	Moe, R. D.	Renneke	Willet
Dahl	Johnson, D.E.	Novak	Samuelson	
Davis	Jude	Olson	Schmitz	
DeCramer	Knaak	Pehler	Sieloff	
Dicklich	Kronebusch	Peterson, C.C.	Solon	

Those who voted in the negative were:

Dieterich
KamrathKroening
MerriamMoe, D. M.
Peterson, R. W.

Petty

Spear

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Pogemiller moved that H.F. No. 786 and the Conference Committee report thereon be taken from the table. The motion prevailed.

H.F. No. 786: A bill for an act relating to state departments and agencies; transferring authority to make certain appointments to various commissioners; reducing size of alcohol and drug abuse advisory council; abolishing the cable communications board and the telecommunications council; amending Minnesota Statutes 1984, sections 1.22; 4.31, subdivision 5; 14.02, subdivision 4; 16B.20, subdivision 2; 16B.33, subdivision 2; 35.02, subdivision 1; 40.03, subdivision 1; 84B.11, subdivision 1; 115.74, subdivision 1; 116C.41, subdivision 2; 116L.03; 121.82, subdivision 1; 121.83; 129B.01, subdivision 1; 144A.19, subdivision 1; 147.01, subdivisions 1 and 2; 148.03; 148.181; 148.52; 148.90, subdivision 2; 150A.02, subdivision 1; 151.03; 153.02; 154.22; 156.01, subdivisions 1 and 2; 161.1419, subdivision 2; 250.05, subdivision 2; 254A.04; 270.41; 326.04; 326.17; 326.241, subdivision 1; 343.01, subdivision 3; 386.63, subdivision 1; 611.215, subdivision 1; and 626.841; amending Laws 1984, chapter 654, article 2, section 151, subdivision 2; repealing Minnesota Statutes 1984, sections 3.29, subdivisions 1 to 11; 16C.01; 238.01; 238.02, subdivision 4; 238.04 to 238.06; 238.08, subdivision 2; 238.09; 238.10; 238.11, subdivision 1; 238.12, subdivision 3; and 238.13 to 238.17.

The question recurred on the motion of Mr. Knaak that the recommendations and Conference Committee Report on H.F. No. 786 be rejected, and that the bill be re-referred to the Conference Committee as formerly constituted for further consideration.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 22 and nays 40, as follows:

Those who voted in the affirmative were:

Anderson	Frederickson	Knaak	Peterson, D.L.	Waldorf
Benson	Gustafson	Kronebusch	Ramstad	Wegscheid
Bernhagen	Isackson	Laidig	Renneke	
Frank	Jude	McQuaid	Sieloff	
Frederick	Kamrath	Olson	Storm	

Those who voted in the negative were:

Adkins	DeCramer	Kroening	Nelson	Reichgott
Belanger	Dicklich	Langseth	Novak	Samuelson
Berg	Diessner	Lantry	Pehler	Schmitz
Bertram	Dieterich	Lessard	Peterson, C.C.	Solon
Brataas	Freeman	Luther	Peterson, D.C.	Spear
Chmielewski	Hughes	Mehrkens	Peterson, R.W.	Stumpf
Dahl	Johnson, D.E.	Moe, D. M.	Petty	Vega
Davis	Johnson, D.J.	Moe, R. D.	Pogemiller	Willet

The motion did not prevail.

The question recurred on the motion of Mr. Pogemiller to adopt the recommendations and Conference Committee Report on H.F. No. 786. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 786 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 44 and nays 21, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Langseth	Novak	Schmitz
Belanger	Dieterich	Lantry	Peterson, C. C.	Sieloff
Berg	Frank	Lessard	Peterson, D. C.	Solon
Bernhagen	Frederick	Luther	Peterson, R. W.	Spear
Brataas	Freeman	Mehrkens	Petty	Storm
Chmielewski	Hughes	Merriam	Pogemiller	Stumpf
Dahl	Johnson, D. E.	Moe, D. M.	Purfeerst	Taylor
DeCramer	Johnson, D. J.	Moe, R. D.	Reichgott	Willet
Dicklich	Kroening	Nelson	Samuelson	

Those who voted in the negative were:

Anderson	Gustafson	Kronebusch	Peterson, D. L.	Wegscheid
Benson	Isackson	Laidig	Ramstad	
Bertram	Jude	McQuaid	Renneke	
Davis	Kamrath	Olson	Vega	
Frederickson	Knaak	Pehler	Waldorf	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Chmielewski moved that H.F. No. 1175 be taken from the table. The motion prevailed.

H.F. No. 1175: A bill for an act relating to children; expanding the definition of a medically neglected child; providing for intervention by commissioner of human services after a report of medical neglect; requiring the local agency to report and initiate proceedings in cases of medical neglect; amending Minnesota Statutes 1984, sections 260.015, subdivision 10; 626.556, subdivisions 2, 10, and by adding a subdivision.

SUSPENSION OF RULES

Mr. Chmielewski 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. 1175 and that the rules of the Senate be so far suspended as to give H.F. No. 1175 its second and third reading and place it on its final passage.

CALL OF THE SENATE

Mr. Chmielewski imposed a call of the Senate for the balance of the proceedings on H.F. No. 1175. The Sergeant at Arms was instructed to bring in

the absent members.

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

The roll was called, and there were yeas 48 and nays 16, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knutson	Moe, R. D.	Sieloff
Anderson	Frank	Kroening	Olson	Solon
Belanger	Frederick	Kronebusch	Pehler	Storm
Benson	Frederickson	Laidig	Peterson, C. C.	Stumpf
Berg	Hughes	Langseth	Peterson, D. L.	Vega
Bernhagen	Isackson	Lantry	Purfeerst	Waldorf
Bertram	Johnson, D. E.	Lessard	Ramstad	Wegscheid
Chmielewski	Jude	McQuaid	Renneke	Willet
Dahl	Kamrath	Mehrkens	Samuelson	
Davis	Knaak	Merriam	Schmitz	

Those who voted in the negative were:

Berglin	Dieterich	Moe, D. M.	Peterson, D. C.	Pogemiller
Brataas	Freeman	Nelson	Peterson, R. W.	Reichgott
Dicklich	Luther	Novak	Petty	Spear
Diessner				

The motion prevailed.

H.F. No. 1175 was read the second time.

H.F. No. 1175 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 11, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Berglin	Dieterich	Nelson	Peterson, R. W.	Pogemiller
Brataas	Moe, D. M.	Peterson, D. C.	Petty	Spear
Dicklich				

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1183 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 1183

A bill for an act relating to intoxicating liquor; providing for issuance of

licenses within Indian country; allowing the sales between collectors of discontinued brands of beer in cans; authorizing the issuance of on-sale licenses in certain theaters in Minneapolis; amending Minnesota Statutes 1984, section 340.11, subdivision 15, and by adding a subdivision.

May 20, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1183, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 1183 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 340.11, subdivision 15, is amended to read:

Subd. 15. [LICENSES NOT REQUIRED.] It is lawful for a brewer to sell intoxicating malt beverages to his employee or to a former employee who is retired because of age or physical disability. Such beverages shall be sold for consumption off the premises only, and the amount sold to any one person in any one week shall not exceed 768 fluid ounces. The requirements of law relating to minimum prices for the sale of intoxicating malt beverages shall not apply to sales made under this subdivision, nor shall any license be required for the making of such sales. It is ~~also~~ lawful for a collector of commemorative bottles, as these terms are defined in section 340.44, to sell commemorative bottles to another collector without obtaining a license. *It is also lawful for a collector of beer cans to sell unopened cans of a brand which has not been sold commercially for at least two years to another collector without obtaining a license. The amount sold to any one collector in any one month shall not exceed 768 fluid ounces.* It is also lawful for an off-sale licensee or municipal liquor store to provide samples of wine, liqueurs, and cordials which the licensee or municipal liquor store currently has in stock and is offering for sale to the general public without obtaining an additional license, provided the wine, liqueur, and cordial samples are dispensed at no charge and consumed on the licensed premises during the permitted hours of off-sale in a quantity less than 50 milliliters of wine per variety per customer and 25 milliliters of liqueur or cordial per variety per customer.

Sec. 2. Minnesota Statutes 1984, section 340.11, is amended by adding a subdivision to read:

Subd. 24. [ON-SALE AND OFF-SALE LICENSES; INDIAN COUNTRY.] *Notwithstanding any law to the contrary, on-sale or off-sale licenses for the sale of intoxicating liquor or nonintoxicating malt liquor issued by the governing body of an Indian tribe in accordance with United States Code, title 18, section 1161, to an Indian tribal member or Indian tribal entity for an establishment located within Indian country as defined under United States Code, title 18, section 1154, is valid with the approval of*

the commissioner. The commissioner shall approve the license if the establishment has complied with subdivisions 5a and 21, and sections 340.12, 340.13, 340.14, 340.73, and 340.731. An establishment issued a license under this subdivision is not required to obtain a license from any municipality, county, or town.

Sec. 3. [340.147] [LICENSING OF BROKERS.]

Subdivision 1. [DEFINITION.] "Broker" means a person who represents a distillery, winery, or importer, and is not an employee of the distillery, winery, or importer.

Subd. 2. [LICENSE REQUIRED.] All brokers and their employees must obtain a license from the commissioner. The annual license fee for a broker is \$300, for an employee of a broker the license fee is \$12. An application for a broker's license must be accompanied by a written statement from the distillery, winery, or importer the applicant proposes to represent verifying the applicant's contractual arrangement, and must contain a statement that the distillery, winery, or importer is responsible for the actions of the broker. The license shall be issued for one year. The broker, or employee of the broker may promote a vendor's product and may call upon licensed retailers to insure product identification, give advance notice of new products or product changes, and share other pertinent market information. The commissioner may revoke or suspend for up to 60 days a broker's license or the license of an employee of a broker if the broker or employee has violated any provision of chapter 340, or a rule of the commissioner relating to alcoholic beverages. The commissioner may suspend for up to 60 days, the importation license of a distillery or winery on a finding by the commissioner that its broker or employee of its broker has violated any provision of chapter 340, or rule of the commissioner relating to alcoholic beverages.

Subd. 3. [REPORTS.] A distillery, winery, or broker must furnish within 60 days after the end of each month a report to the commissioner specifying for that month the type, quantity, date, and licensed retailers who received samples from the distillery, winery, or broker.

Sec. 4. [ON-SALE THEATER LICENSE.]

Notwithstanding Minnesota Statutes, section 340.11, subdivision 11, or a charter provision limiting the type of premises to be licensed, the city of Minneapolis may issue or renew an on-sale intoxicating liquor license issued to a person operating a theater that has a seating capacity in excess of 2,500. The license shall permit sale and consumption of liquor in any portion of the building comprising the licensed premises. All provisions of law and ordinance shall apply to a license issued or renewed under this section.

Sec. 5. Laws 1984, chapter 502, article 12, section 26, as amended by Laws 1985, chapter 3, section 3, is amended to read:

Section 26. [EFFECTIVE DATE.]

Sections 7 and 24 are effective the day following final enactment. Sections 9 and 10 are effective ~~June~~ July 1, 1985. All other sections of this article are effective March 1, 1985. All licenses issued by local units of government under Minnesota Statutes 1982, sections 349.16 and 349.26 expire on February 28, 1985. An organization which held a local license to conduct lawful

gambling on February 28, 1985, or which holds a license granted under section 4 may continue to conduct the forms of gambling authorized by the local license without a license from the board until ~~June~~ July 1, 1985, provided that the organization complies with the terms and conditions of the license in effect on February 28, 1985, or is in compliance with the emergency ordinance adopted under ~~section 4~~ *this act*, if applicable.

Sec. 6. Laws 1985, chapter 3, section 4, is amended to read:

Sec. 4. [CITIES AND COUNTIES; TEMPORARY LICENSING AUTHORITY.]

A county or home rule charter or statutory city may by emergency ordinance establish a system for the licensing of organizations to operate gambling devices and to conduct raffles from ~~February 28 May 31~~, 1985, to ~~May 31~~ June 30, 1985. The system must be consistent with Minnesota Statutes 1982, chapter 349, and may include provisions to extend licenses in effect on ~~February 28 May 31~~, 1985 until ~~May 31~~ June 30, 1985 and charge a fee for the extension.

The emergency ordinance may go into effect without hearing, notice, or publication, but the county or city shall promptly, after adoption, hold hearings to consider any necessary alterations in the ordinance. No ordinance may remain in effect after ~~May 31~~ June 30, 1985. This section supersedes any inconsistent provision of law, charter, or ordinance.

Sec. 7. [EFFECTIVE DATE.]

Section 2 is effective within any Indian reservation where the governing body of the tribe having jurisdiction over that reservation has adopted an amendment to its tribal ordinance as provided by this section. The amendment to the tribal ordinance must provide that a nonintoxicating malt liquor or intoxicating liquor license issued to a non-Indian by a city, county, or town for an establishment located within Indian country, as defined under United States Code, title 18, section 1154, will be approved by the governing body of the tribe. The ordinance must also provide that no fee may be charged for approval.

Section 4 is effective upon approval by the Minneapolis city council and compliance with Minnesota Statutes, section 645.021. Sections 5 and 6 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "requiring the licensing of liquor brokers; changing the effective dates for licensing by the charitable gambling board;"

Page 1, line 8, before the period, insert "; Laws 1984, chapter 502, article 12, section 26, as amended; and Laws 1985, chapter 3, section 4; proposing coding for new law in Minnesota Statutes, chapter 340"

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

Senate Conferees: (Signed) Neil Dieterich, Steven G. Novak, Jim Gustafson

House Conferees: (Signed) Tony Bennett, Marcus Marsh, Tom Osthoff

Mr. Dieterich moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1183 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 1183 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 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 230 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 230

A bill for an act relating to commerce; authorizing industrial loan and thrifts to sell certain evidences of indebtedness; establishing different certificate of authorization requirements for corporations that will and will not sell or issue thrift certificates; modifying certain application and examination duties of the department of commerce; providing simplified requirements for the issuance of more than one certificate of authorization to the same corporation; clarifying the right of industrial loan and thrifts to collect certain additional loan charges; exempting certain mortgage purchasers and assignees from licensing as regulated lenders; prohibiting industrial loan and thrifts from using the words "savings and loan" in their corporate names; authorizing regulated lenders to make loans up to ten percent of capital; modifying the licensing provisions governing regulated lenders; providing for changes in business locations of regulated lenders; increasing the minimum default charge that may be charged; providing for the determination of interest; authorizing certain additional loan charges; and providing alternative loan disclosure requirements; providing that certain violations do not impair obligations of a contract; providing penalties; providing for certain dollar adjustments; amending Minnesota Statutes 1984, sections 48.151; 53.03, subdivisions 1, 2, 2a, 3a, 5, 7, 8, and by adding a subdivision; 53.04,

subdivision 3a; 53.05; 56.01; 56.04; 56.07; 56.12; 56.125, subdivision 4; 56.131, subdivisions 1 and 4; 56.19, subdivision 4, and by adding a subdivision; and 550.37, subdivision 4a; repealing Minnesota Statutes 1984, section 53.03, subdivision 4.

May 20, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 230, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 230 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 48.151, is amended to read:

48.151 [ADDITIONAL POWERS.]

Any bank, savings bank, or trust company organized under the laws of this state, or any national banking association doing business in this state, shall have the power to advertise for sale and sell for a fee money orders, traveler's checks, cashier's checks, drafts, registered checks, and certified checks and no other person, firm, or corporation, either directly or through agents, shall advertise for sale or shall sell for a fee any evidence of indebtedness on which there appears the words, "money order," "traveler's check," "cashier's check," "draft," "registered check," "certified check," or other words or symbols whether of the same or different character which tend to lead the purchaser to believe that such evidence of indebtedness is other than a personal check, unless such evidence of indebtedness is issued by a person, firm or corporation which is a savings and loan association, or telegraph company, or, *in the case of cashier's checks, is issued by an industrial loan and thrift company with deposit liabilities, provided that these instruments are issued in conformity with the Uniform Commercial Code, or is issued by a person, firm, or corporation that has on file in the office of the secretary of state a surety bond in the principal sum of \$5,000 issued by a bonding or insurance company authorized to do business in this state, which surety bond shall run to the state of Minnesota and shall be for the benefit of any creditor for any liability insured on account of the sale or issuance by it or its agent of any such evidence of indebtedness, or has deposited with the secretary of state securities or cash of the value of \$5,000; provided, however, that the aggregate liability of the surety to all such creditors shall, in no event, exceed the sum of such bond or deposit. Any person, firm or corporation who shall violate any provision of this section shall be guilty of a misdemeanor.*

Sec. 2. Minnesota Statutes 1984, section 49.05, is amended by adding a subdivision to read:

Subd. 5. [FEDERAL DEPOSIT INSURANCE CORPORATION AS RECEIVER OR LIQUIDATOR.] The Federal Deposit Insurance Corporation created by Section 12B of the Federal Reserve Act, as amended, upon ap-

pointment by the commissioner, may act without bond as receiver or liquidator of a financial institution, the deposits in which are to any extent insured by this corporation, and that has been closed pursuant to section 49.04, subdivision 1.

Notwithstanding any other provision of law the appropriate state authority having the right to appoint a receiver or liquidator of a financial institution may, in the event of the closing, tender to the corporation the appointment as receiver or liquidator of the financial institution; and, if the corporation accepts the appointment, the corporation shall have and possess all the powers and privileges provided by the laws of this state with respect to a receiver or liquidator, respectively, of a financial institution, its depositors, and other creditors.

Sec. 3. Minnesota Statutes 1984, section 49.05, is amended by adding a subdivision to read:

Subd. 6. [RIGHT OF SUBROGATION.] When a financial institution has been closed, and the federal deposit insurance corporation has paid or made available for payment the insured deposit liabilities of the closed institution, the corporation, whether or not it has or shall thereafter become a liquidating agent of the closed institution is subrogated, by operation of law with like force and effect as if the closed institution were a national bank, to all rights of the owners of these deposits against the closed financial institution in the same manner and to the same extent as now or hereafter necessary to enable the federal deposit insurance corporation under federal law to make insurance payments available to depositors of closed insured banks; provided, that the rights of depositors and other creditors of the closed institution shall be determined in accordance with the laws of this state. The commissioner may, in his or her discretion, in the event of the closing of any financial institution pursuant to section 49.04, subdivision 1, the deposits of which banking institution are to any extent insured by the corporation, tender to the corporation the appointment as liquidating agent of this financial institution and, if the corporation accepts the appointment, it shall have and possess all the powers and privileges provided by the laws of this state with respect to a special deputy examiner of the department of commerce in the management and liquidation of this institution, and be subject to all of the duties of the special deputy examiner; provided, that nothing contained in this subdivision shall be construed as a surrender of the right of the commissioner to liquidate financial institutions under his or her supervision pursuant to the statute in such case made and provided; and the commissioner may waive the filing of a bond by the corporation as the special deputy examiner.

Sec. 4. Minnesota Statutes 1984, section 53.03, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION, FEE, NOTICE.] Any corporation hereafter organized as an industrial loan and thrift company, shall, after compliance with the requirements set forth in sections 53.01 and 53.02, file a written application with the department of commerce for a certificate of authorization. A corporation that will not sell or issue thrift certificates for investment as permitted by this chapter need not comply with subdivision 2b. The application, ~~in duplicate~~, must be in the form prescribed by the department of commerce. The application must be made in the name of the cor-

poration, executed and acknowledged by two of its officers an officer designated by the board of directors of the corporation for that purpose, requesting a certificate authorizing the corporation to transact business as an industrial loan and thrift company, at the place and in the name stated in the application. At the time of filing the application the applicant shall pay a \$1,000 filing fee and a \$500 investigation fee. The fees must be turned over by the commissioner to the state treasurer and credited to the general fund. The applicant shall also submit a copy of the bylaws of the corporation, its articles of incorporation and all amendments thereto at that time. If the application is contested, 50 percent of an additional fee equal to the actual costs incurred by the department of commerce in approving or disapproving the application, payable to the state treasurer and credited to the general fund shall be paid by the applicant and 50 percent equally by the intervening parties. A notice of the filing of the application must be published once within 30 days of the receipt of the form prescribed by the department of commerce, at the expense of the applicant, in a newspaper published in the municipality in which the proposed industrial loan and thrift company is to be located, or, if there be none, in a newspaper published at the county seat of the county in which the company is proposed to be located. If the department of commerce receives a written objection to the application from any person within 20 days of the notice having been fully published a contested case hearing must be conducted on the application. ~~The department of commerce may without cause order a contested case hearing on the application.~~ Notice of a hearing in connection with this section must be published once in the form prescribed by the department of commerce, at the expense of the applicant, in the same manner as a notice of application.

Sec. 5. Minnesota Statutes 1984, section 53.03, subdivision 2, is amended to read:

Subd. 2. [DEPARTMENT OF COMMERCE; DUTIES.] Upon receiving an application the department of commerce shall make, or cause to be made, an examination to ascertain whether the assets of such corporation, over and above all its liabilities, have an actual value of not less than the par value of all of its capital represented by shares of common stock, which shall not be less than the amount prescribed by section 53.02. If upon its investigation or hearing provided for in subdivision 1 those facts appear and it further appears that the bylaws and articles of incorporation and amendments thereto are in accordance with law; that the shareholders of the corporation are of good moral character and financial integrity; ~~that there is a reasonable public demand for that company that the company reasonably anticipates public demand for the loans it proposes to make~~ in the location specified in the application, and that the probable volume of business in that location is sufficient to insure and maintain the solvency of such company and the solvency of any then existing industrial loan and thrift companies or banks in that locality, ~~without endangering the safety of any such company or bank in the locality as a place for investing or depositing public and private money;~~ and that the proposed company will be properly and safely managed, the application shall be granted; otherwise it shall be denied.

Sec. 6. Minnesota Statutes 1984, section 53.03, subdivision 2a, is amended to read:

Subd. 2a. [SELECTION, CHANGE OF NAME.] Before filing the certifi-

~~iate articles~~ of incorporation or an amendment to ~~it them~~, the proposed name of the industrial loan and thrift company shall be submitted to the commissioner, ~~who shall compare it with those of other corporations operating in the state.~~ If it is likely to be mistaken for any of them, or to confuse the public as to the character of its business, or is otherwise objectionable, additional names shall be submitted. When a satisfactory name is selected, the commissioner shall give written approval of it and issue an amended certificate of authorization.

Sec. 7. Minnesota Statutes 1984, section 53.03, is amended by adding a subdivision to read:

Subd. 2b. [ADDITIONAL DUTIES; THRIFT CERTIFICATES FOR INVESTMENT.] If an application includes the right to issue thrift certificates for investment, the department of commerce must, in addition to the duties in subdivision 2, make a determination that there is a reasonable public demand for that company and that the probable volume of business in that locality is sufficient to insure the solvency of any then existing industrial loan and thrift companies or banks in that locality, without endangering the safety of the company or bank in the locality as a place for investing or depositing public and private money.

Sec. 8. Minnesota Statutes 1984, section 53.03, subdivision 3a, is amended to read:

Subd. 3a. If the application be granted without hearing the department of commerce shall, not later than 60 days after the ~~notice of~~ application has been ~~fully published~~ accepted, issue a certificate authorizing the corporation to transact business as an industrial loan and thrift company as provided in this chapter. If the application be denied without hearing the department of commerce shall, not later than 60 days after the ~~notice of~~ application has been ~~fully published~~ accepted, notify the corporation of the denial and the reasons for the denial. The applicant may request within 30 days of receiving the notice of denial, and shall be granted, a contested case hearing on the application which shall then be conducted as if no order of denial had been issued. If the ~~commission~~ commissioner approves the application after a hearing the ~~commission~~ commissioner shall, not later than 30 days after a hearing, issue a certificate authorizing the corporation to transact business as an industrial loan and thrift company as provided in this chapter. If the application be denied after a hearing the ~~commission~~ commissioner shall, not later than 30 days after a hearing, notify the corporation of the denial.

Sec. 9. Minnesota Statutes 1984, section 53.03, subdivision 5, is amended to read:

*Subd. 5. [PLACE OF BUSINESS.] Not more than one place of business may be maintained under any certificate of authorization issued subsequent to the enactment of Laws 1943, chapter 67, pursuant to the provisions of this chapter, but the department of commerce may issue more than one certificate of authorization to the same corporation upon compliance with all the provisions of this chapter governing an original issuance of a certificate of authorization. *To the extent that previously filed applicable information remains unchanged, the applicant need not refile this information, unless requested.* The filing fee for a branch application shall be \$500 and the investigation fee \$250. If a corporation has been issued more than one certifi-*

cate of authorization, the corporation shall allocate a portion of contributed capital to each office for which a certificate has been issued, in order to comply with the capital requirements of section 53.02 and section 53.05, clause (2), which sections are applicable to each office and the capital allocated thereto in the same manner as if each certificate had been issued to a separate corporation. ~~Each additional certificate of authorization issued pursuant to the provisions of this subdivision must be filed with the secretary of state.~~ *An industrial loan and thrift corporation with deposit liabilities may change one or more of its locations upon the written approval of the commissioner of commerce. A fee of \$100 must accompany each application to the commissioner for approval to change the location of an established office. An industrial loan and thrift corporation that does not sell and issue thrift certificates for investment may change one or more locations by giving 30 days' written notice to the department of commerce which shall promptly amend the certificate of authorization accordingly.*

Sec. 10. Minnesota Statutes 1984, section 53.03, subdivision 7, is amended to read:

Subd. 7. [OBJECTION TO APPLICATION.] Upon receiving written objection to the application from any person within 20 days of the notice having been fully published, the department of commerce shall order a contested case hearing to be conducted on the application. ~~The department of commerce may without cause order a contested case hearing to be conducted on the application.~~

Sec. 11. Minnesota Statutes 1984, section 53.03, subdivision 8, is amended to read:

Subd. 8. [INVESTIGATION.] Upon receiving an application, the department of commerce shall make or cause to be made, an investigation of the application to determine that the corporation is in a solvent condition, meets current thrift industry standards of management quality and asset condition, is in compliance with the requirements of this chapter ~~and that the approval of the application will not have an adverse effect upon the solvency of any existing industrial loan and thrift company selling and issuing certificates for investment or banks in the locality, or endanger the safety of any company or bank in the locality as a place for investing or depositing public and private money.~~ If upon completion of its investigation and any hearing provided for in subdivision 7, it appears to the department of commerce that the requirements for approval contained in this subdivision have been met, the application shall be approved. In all other cases, the application shall be denied. As a condition of approval, the capital funds of the applicant corporation shall not be less than the total amount which the department of commerce considers necessary having in mind the potential for the issuance of certificates for investment by the applicant. The procedure in subdivision 3a shall be followed in decisions, notice, and hearing of applications for consent to sell and issue thrift certificates for investment by issuance of an amended certificate of authorization.

Sec. 12. Minnesota Statutes 1984, section 53.04, subdivision 3a, is amended to read:

Subd. 3a. (a) The right to make loans, secured or unsecured, at the rates and on the terms and other conditions permitted licensees under chapter 56.

Loans made under the authority of section 56.125 must be in amounts in compliance with section 53.05, clause (7). All other loans made under the authority of chapter 56 must be in amounts in compliance with section 53.05, clause (7), or 56.131, subdivision 1, paragraph (a), whichever is less. The right to extend credit or lend money and to collect and receive charges therefor as provided by chapter 334, or in lieu thereof to charge, collect, and receive interest at the rate of 21.75 percent per annum, *including the right to contract for, charge, and collect all other charges including discount points, fees, late payment charges, and insurance premiums on the loans to the same extent permitted on loans made under the authority of chapter 56, regardless of the amount of the loan.* The provisions of sections 47.20 and 47.21 do not apply to loans made under this subdivision, except as specifically provided in this subdivision. Nothing in this subdivision is deemed to supersede, repeal, or amend any provision of section 53.05. A licensee making a loan under this chapter secured by a lien on real estate shall comply with the requirements of section 47.20, subdivision 8.

(b) Loans made under this subdivision at a rate of interest not in excess of that provided for in paragraph (a) may be secured by real or personal property, or both. If the proceeds of a loan made after August 1, 1987 are used in whole or in part to satisfy the balance owed on a contract for deed, the rate of interest charged on the loan must not exceed the rate provided in section 47.20, subdivision 4a. If the proceeds of a loan secured by a first lien on the borrower's primary residence are used to finance the purchase of the borrower's primary residence, the loan must comply with the provisions of section 47.20.

(c) A loan made under this subdivision that is secured by real estate and that is in a principal amount of \$7,500 or more and a maturity of 60 months or more may contain a provision permitting discount points, if the loan does not provide a loan yield in excess of the maximum rate of interest permitted by this subdivision. Loan yield means the annual rate of return obtained by a licensee computed as the annual percentage rate is computed under Federal Regulation Z. If the loan is prepaid in full, the licensee must make a refund to the borrower to the extent that the loan yield will exceed the maximum rate of interest provided by this subdivision when the prepayment is taken into account.

(d) *An agency or instrumentality of the United States government or a corporation otherwise created by an act of the United States Congress or a lender approved or certified by the secretary of housing and urban development, or approved or certified by the administrator of veterans affairs, or approved or certified by the administrator of the farmers home administration, or approved or certified by the federal home loan mortgage corporation, or approved or certified by the federal national mortgage association, that engages in the business of purchasing or taking assignments of mortgage loans and undertakes direct collection of payments from or enforcement of rights against borrowers arising from mortgage loans, is not required to obtain a certificate of authorization under this chapter in order to purchase or take assignments of mortgage loans from persons holding a certificate of authorization under this chapter.*

Sec. 13. Minnesota Statutes 1984, section 53.05, is amended to read:

53.05 [POWERS, LIMITATION.]

No industrial loan and thrift company may do any of the following:

(1) carry ~~commercial or~~ demand banking accounts; use the word "savings" unless the institution's investment certificates, savings accounts, and savings deposits are insured by the federal deposit insurance corporation and then only if the word is not followed by the words "and loan" in its corporate name; use the word "bank" or "banking" in its corporate name; operate as a savings bank;

(2) have outstanding at any one time certificates of indebtedness, savings accounts, and savings deposits, exclusive of those held by the company, as security for loans made by it of more than seven times the sum of the contributed capital and appropriated reserves of the company until July 1, 1985, or the date an industrial loan and thrift company obtains a commitment for insurance or guarantee of accounts acceptable to the commissioner as required by section 53.10, whichever is earlier, and thereafter 15 times the sum of contributed capital and appropriated reserves of the company;

(3) accept trusts, except as provided in section 47.75, subdivision 1, or act as guardian, administrator, or judicial trustee in any form;

(4) deposit any of its funds in any banking corporation, unless that corporation has been designated by vote of a majority of directors or of the executive committee present at a meeting duly called, at which a quorum was in attendance;

(5) change any allocation of capital made pursuant to section 53.03 or reduce or withdraw in any way any portion of the contributed capital and appropriated reserves without prior written approval of the commissioner of commerce;

(6) take any instrument in which blanks are left to be filled in after execution; ~~or~~

(7) lend money in excess of ten percent of its contributed capital and appropriated reserves to a person primarily liable. "Contributed capital and appropriated reserves" means the total of the company's contributed capital and appropriated reserves at all its authorized locations.

If a loan has been made to a person primarily liable and payments have been made on a certificate of indebtedness securing it, the amount of the payments may be added to the limitation contained in this clause for the purpose of determining whether additional loans may be made to that person; ~~or~~

(8) issue cashier's checks pursuant to section 48.151, unless and at all times the aggregate liability to all creditors on these instruments is protected by a special fund in cash or due from banks to be used solely for payment of the cashier's checks.

Sec. 14. Minnesota Statutes 1984, section 56.01, is amended to read:

56.01 [NECESSITY OF LICENSE.]

(a) Except as authorized by this chapter and without first obtaining a license from the commissioner, no person shall engage in the business of making loans of money, credit, goods, or things in action, in ~~the an~~ amount or of ~~the a~~ value of \$35,000 ~~or less not exceeding that specified in section~~

56.131, subdivision 1, and charge, contract for, or receive on the loan a greater rate of interest, discount, or consideration than the lender would be permitted by law to charge if he were not a licensee under this chapter.

(b) An agency or instrumentality of the United States government or a corporation otherwise created by an act of the United States Congress or a lender approved or certified by the secretary of housing and urban development, or approved or certified by the administrator of veterans affairs, or approved or certified by the administrator of the farmers home administration, or approved or certified by the federal home loan mortgage corporation, or approved or certified by the federal national mortgage association, that engages in the business of purchasing or taking assignments of mortgage loans and undertakes direct collection of payments from or enforcement of rights against borrowers arising from mortgage loans, is not required to be licensed under this chapter in order to purchase or take assignments of mortgage loans from licensees under this chapter.

Sec. 15. Minnesota Statutes 1984, section 56.04, is amended to read:

56.04 [INVESTIGATION; ISSUANCE OF LICENSE; DENIAL; REFUNDS.]

Upon the filing of the application and payment of these fees, the commissioner shall investigate the facts, and if he shall find (1) that the financial responsibility, experience, character, and general fitness of the applicant, and of the members thereof if the applicant be a copartnership or association, and of the officers and directors thereof if the applicant be a corporation, the person with direct responsibility for the operation and management of the proposed office are such as to command the confidence of the community and to warrant belief that the business will be operated honestly, fairly, and efficiently within the purposes of this chapter, and (2) that allowing the applicant to engage in business will promote the convenience and advantage of the community in which the business of the applicant is to be conducted, and (3) that the applicant has available for the operation of the business, at the specified location, liquid assets of at least \$50,000 (the foregoing facts being conditions precedent to the issuance of a license under this chapter), he shall thereupon issue and deliver a license to the applicant to make loans, in accordance with the provisions of this chapter, at the location specified in the application. If the commissioner shall not so find, he shall not issue a license and he shall notify the applicant of the denial and return to the applicant the sum paid by the applicant as a license fee, retaining the \$250 investigation fee to cover the costs of investigating the application. The commissioner shall approve or deny every application for license hereunder within 60 days from the filing thereof with the fees.

If the application is denied, the commissioner shall, within 20 days thereafter, file in his office a written decision and findings with respect thereto containing the evidence and the reasons supporting the denial, and forthwith serve upon the applicant a copy thereof.

There is hereby appropriated to such persons as are entitled to such refund, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make the refund and payment.

Should substantially all of a licensee's outstanding loan accounts subject

to this chapter be sold, the purchaser of the accounts, if otherwise fully qualified, may obtain a license, without establishing convenience and advantage, in the same municipality upon surrender of the seller's license to the commissioner.

Sec. 16. Minnesota Statutes 1984, section 56.07, is amended to read:

56.07 [CONTROL OVER LOCATION.]

Not more than one place of business shall be maintained under the same license, but the commissioner may issue more than one license to the same licensee upon compliance with all the provisions of this chapter governing an original issuance of a license, for each such new license. *To the extent that previously filed applicable information remains substantially unchanged, the applicant need not refile this information, unless requested.*

When a licensee shall wish to change his place of business to a street address in the same municipality designated in his license, he shall give written notice thereof 30 days in advance to the commissioner, who shall within 30 days of receipt of such notice, issue an amended license approving the change. ~~No change in the place of business of a licensee to a location outside of the original municipality shall be permitted under the same license.~~

A licensed place of business shall be open during regular business hours each weekday, except for legal holidays and for any weekday the commissioner grants approval to the licensee to remain closed. A licensed place of business may be open on Saturday, but shall be closed on Sunday.

Sec. 17. Minnesota Statutes 1984, section 56.12, is amended to read:

56.12 [ADVERTISING; TAKING OF SECURITY; PLACE OF BUSINESS.]

No licensee shall advertise, print, display, publish, distribute, or broadcast, or cause or permit to be advertised, printed, displayed, published, distributed, or broadcast, in any manner any statement or representation with regard to the rates, terms, or conditions for the lending of money, credit, goods, or things in action which is false, misleading, or deceptive. The commissioner may order any licensee to desist from any conduct which he shall find to be a violation of the foregoing provisions.

The commissioner may require that rates of charge, if stated by a licensee, be stated fully and clearly in such manner as he may deem necessary to prevent misunderstanding thereof by prospective borrowers. ~~A statement of rates of charge that meets the requirements of the federal Truth in Lending Act and regulations thereunder shall be deemed full compliance with this section. In lieu of the disclosure requirements of this section and section 56.14, a licensee may give the disclosures required by the federal Truth-in-Lending Act.~~

A licensee may take a lien upon real estate as security for any loan exceeding \$2,700 in principal amount made under this chapter. The provisions of sections 47.20 and 47.21 do not apply to loans made under this chapter, except as provided in this section. No loan secured by a first lien on a borrower's primary residence shall be made pursuant to this section if the proceeds of the loan are used to finance the purchase of the borrower's primary

residence, unless:

(1) the proceeds of the loan are used to finance the purchase of a manufactured home; or

(2) the proceeds of the loan are used in whole or in part to satisfy the balance owed on a contract for deed. The rate of interest charged on such a loan made after August 1, 1987, shall not exceed the rate provided in section 47.20, subdivision 4a.

If the proceeds of the loan are used to finance the purchase of the borrower's primary residence, the licensee shall consent to the subsequent transfer of the real estate if the existing borrower continues after transfer to be obligated for repayment of the entire remaining indebtedness. The licensee shall release the existing borrower from all obligations under the loan instruments, if the transferee (1) meets the standards of credit worthiness normally used by persons in the business of making loans, including but not limited to the ability of the transferee to make the loan payments and satisfactorily maintain the property used as collateral, and (2) executes an agreement in writing with the licensee whereby the transferee assumes the obligations of the existing borrower under the loan instruments. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument. A licensee may charge a fee not in excess of one-tenth of one percent of the remaining unpaid principal balance in the event the loan is assumed by the transferee and the existing borrower continues after the transfer to be obligated for repayment of the entire assumed indebtedness. A licensee may charge a fee not in excess of one percent of the remaining unpaid principal balance in the event the remaining indebtedness is assumed by the transferee and the existing borrower is released from all obligations under the loan instruments, but in no event shall the fee exceed \$150.

A licensee making a loan under this chapter secured by a lien on real estate shall comply with the requirements of section 47.20, subdivision 8.

No licensee shall conduct the business of making loans under this chapter within any office, room, or place of business in which any other business is solicited or engaged in, or in association or conjunction therewith, if the commissioner finds that the character of the other business is such that it would facilitate evasions of this chapter or of the rules and regulations lawfully made hereunder. The commissioner may promulgate rules dealing with such other businesses.

No licensee shall transact the business or make any loan provided for by this chapter under any other name or at any other place of business than that named in the license. No licensee shall take any confession of judgment or any power of attorney. No licensee shall take any note or promise to pay that does not accurately disclose the principal amount of the loan, the time for which it is made, and the agreed rate or amount of charge, nor any instrument in which blanks are left to be filled in after execution. Nothing herein is deemed to prohibit the making of loans by mail.

Sec. 18. Minnesota Statutes 1984, section 56.125, subdivision 4, is amended to read:

Subd. 4. ~~[ALTERNATIVE COMPLIANCE.] Compliance by a licensee making open-end loans pursuant to this section with the open-end credit pro-~~

visions of the federal Truth-in-Lending Act and regulations issued thereunder is required, and the disclosure requirements in sections 56.12 and 56.14 do not apply with respect to open-end loans made pursuant to this section. In addition, Prior to any licensee taking a lien upon the borrower's homestead, as defined in chapter 510, as security for any open-end loan pursuant to subdivision 2, the borrower shall be provided with a statement in substantially the following form, in bold face type of a minimum size of 12 points, signed and dated by the borrower at the time of the execution of the contract surrendering the homestead exemption, immediately adjacent to a listing of the homestead property: "I understand that some or all of the above real estate is normally protected by law from the claims of creditors, and I voluntarily give up my right to that protection for the above listed property with respect to claims arising out of this contract."

Sec. 19. Minnesota Statutes 1984, section 56.131, subdivision 1, is amended to read:

Subdivision 1. [INTEREST RATES AND CHARGES.] (a) On any loan in the principal amount of not exceeding \$35,000 or less ten percent of a corporate licensee's contributed capital and appropriated reserves as defined in section 53.01, if greater, a licensee may contract for and receive interest, calculated according to the actuarial method, not exceeding the equivalent of the greater of any of the following:

(1) the total of: (i) 33 percent per year on that part of the unpaid balance of the principal amount not exceeding \$350; and (ii) 19 percent per year on that part of the unpaid balance of the principal amount exceeding \$350; or

(2) 21.75 percent per year on the unpaid balance of the principal amount.

(b) On any loan where interest has been calculated according to the method provided for in paragraph (a), clause (1), interest must be contracted for and earned as provided in that provision or at the single annual percentage rate computed to the nearest one hundredth of one percent that would earn the same total interest at maturity of the contract as would be earned by the application of the graduated rates provided in paragraph (a), clause (1), when the debt is paid according to the agreed terms and the calculations are made according to the actuarial method.

(c) Loans may be interest-bearing or precomputed.

(d) To compute time on interest-bearing and precomputed loans, including, but not limited to the calculation of interest, a day is considered 1/30 of a month when calculation is made for a fraction of a calendar month. A year is 12 calendar months. A calendar month is that period from a given date in one month to the same numbered date in the following month, and if there is no same numbered date, to the last day of the following month. When a period of time includes a whole month and a fraction of a month, the fraction of a month is considered to follow the whole month.

In the alternative, for interest-bearing loans, a licensee may charge interest at the rate of 1/365 of the agreed annual rate for each actual day elapsed.

(e) With respect to interest-bearing loans:

(1) Interest must be computed on unpaid principal balances outstanding

from time to time, for the time outstanding. Each payment must be applied first to the accumulated interest and the remainder of the payment applied to the unpaid principal balance; provided however, that if the amount of the payment is insufficient to pay the accumulated interest, the unpaid interest continues to accumulate to be paid from the proceeds of subsequent payments and is not added to the principal balance.

(2) Interest must not be payable in advance or compounded. However, if part or all of the consideration for a new loan contract is the unpaid principal balance of a prior loan, then the principal amount payable under the new loan contract may include any unpaid interest which has accrued. The unpaid principal balance of a precomputed loan is the balance due after refund or credit of unearned interest as provided in paragraph (f), clause (3). The resulting loan contract is deemed a new and separate loan transaction for all purposes.

(f) With respect to precomputed loans:

(1) Loans must be repayable in substantially equal and consecutive monthly installments of principal and interest combined, except that the first installment period may be more or less than one month by not more than 15 days, and the first installment payment amount may be larger than the remaining payments by the amount of interest charged for the extra days and must be reduced by the amount of interest for the number of days less than one month to the first installment payment; and monthly installment payment dates may be omitted to accommodate borrowers with seasonal income.

(2) Payments may be applied to the combined total of principal and precomputed interest until the loan is fully paid. Payments must be applied in the order in which they become due.

(3) When any loan contract is paid in full by cash, renewal or refinancing, or a new loan, one month or more before the final installment due date, a licensee shall refund or credit the borrower with the total of the applicable charges for all fully unexpired installment periods, as originally scheduled or as deferred, which follow the day of prepayment; if the prepayment is made other than on a scheduled payment date, the nearest scheduled installment payment date must be used in the computation; provided further, if the prepayment occurs prior to the first installment due date, the licensee may retain 1/30 of the applicable charge for a first installment period of one month for each day from the date of the loan to the date of prepayment, and shall refund or credit the borrower with the balance of the total interest contracted for. If the maturity of the loan is accelerated for any reason and judgment is entered, the licensee shall credit the borrower with the same refund as if prepayment in full had been made on the date the judgment is entered.

(4) If an installment, other than the final installment, is not paid in full within ten days of its scheduled due date, a licensee may contract for and receive a default charge not exceeding five percent of the amount of the installment, but not less than \$2 \$4.

A default charge under this subdivision may not be collected on an installment paid in full within ten days of its scheduled due date, or deferred installment due date with respect to deferred installments, even though a default or deferral charge on an earlier installment has not been paid in full. A

default charge may be collected at the time it accrues or at any time thereafter.

(5) If the parties agree in writing, either in the loan contract or in a subsequent agreement, to a deferment of wholly unpaid installments, a licensee may grant a deferment and may collect a deferment charge as provided in this section. A deferment postpones the scheduled due date of the earliest unpaid installment and all subsequent installments as originally scheduled, or as previously deferred, for a period equal to the deferment period. The deferment period is that period during which no installment is scheduled to be paid by reason of the deferment. The deferment charge for a one-month period may not exceed the applicable charge for the installment period immediately following the due date of the last undeferred payment. A proportionate charge may be made for deferment for periods of more or less than one month. A deferment charge is earned pro rata during the deferment period and is fully earned on the last day of the deferment period. Should a loan be prepaid in full during a deferment period, the licensee shall make or credit to the borrower a refund of the unearned deferment charge in addition to any other refund or credit made for prepayment of the loan in full.

(6) If two or more installments are delinquent one full month or more on any due date, and if the contract so provides, the licensee may reduce the unpaid balance by the refund credit which would be required for prepayment in full on the due date of the most recent maturing installment in default. Thereafter, and in lieu of any other default or deferment charges, the single annual percentage rate permitted by this subdivision may be charged on the unpaid balance until fully paid.

(7) Following the final installment as originally scheduled or deferred, the licensee, for any loan contract which has not previously been converted to interest-bearing under paragraph (f), clause (6), may charge interest on any balance remaining unpaid, including unpaid default or deferment charges, at the single annual percentage rate permitted by this subdivision until fully paid.

Sec. 20. Minnesota Statutes 1984, section 56.131, subdivision 2, is amended to read:

Subd. 2. [ADDITIONAL CHARGES.] In addition to the charges provided for by this section and section 56.155, no further or other amount whatsoever, shall be directly or indirectly charged, contracted for, or received for the loan made, except actual out of pocket expenses of the licensee to realize on a security after default, and except for the following additional charges which may be included in the principal amount of the loan:

(a) Lawful fees and taxes paid to any public officer to record, file, or release security;

(b) With respect to a loan secured by an interest in real estate, the following closing costs, if they are bona fide, reasonable in amount, and not for the purpose of circumvention or evasion of this section; provided the costs do not exceed one percent of the principal amount or \$250, whichever is greater:

(1) fees or premiums for title examination, abstract of title, title insurance, surveys, or similar purposes;

(2) ~~An amount not to exceed \$150 fees~~, if not paid to the licensee, an employee of the licensee, or a person related to the licensee, ~~for fees for~~ preparation of a mortgage, settlement statement, or other documents, fees for notarizing mortgages and other documents, and appraisal fees;

(c) The premium for insurance in lieu of perfecting and releasing a security interest to the extent that the premium does not exceed the fees described in paragraph (a).

Sec. 21. Minnesota Statutes 1984, section 56.131, subdivision 4, is amended to read:

Subd. 4. [ADJUSTMENT OF DOLLAR AMOUNTS.] (a) The dollar amounts in this section, sections 56.01 and 56.12 shall change periodically, as provided in this section, according to and to the extent of changes in the implicit price deflator for the gross national product, 1972 = 100, compiled by the United States department of commerce, and hereafter referred to as the index. The index for December, 1980 is the reference base index *for adjustments of dollar amounts, except that the index for December, 1984 is the reference base index for the minimum default charge of \$4 and the lending fee of \$25.*

(b) The designated dollar amounts shall change on July 1 of each even-numbered year if the percentage of change, calculated to the nearest whole percentage point, between the index for December of the preceding year and the reference base index is ten percent or more, but;

(1) the portion of the percentage change in the index in excess of a multiple of ten percent shall be disregarded and the dollar amounts shall change only in multiples of ten percent of the amounts appearing in Laws 1981, Chapter 258 on the date of enactment; and

(2) the dollar amounts shall not change if the amounts required by this section are those currently in effect pursuant to Laws 1981, Chapter 258 as a result of earlier application of this section.

(c) If the index is revised, the percentage of change pursuant to this section shall be calculated on the basis of the revised index. If a revision of the index changes the reference base index, a revised reference base index shall be determined by multiplying the reference base index then applicable by the rebasing factor furnished by the department of commerce. If the index is superseded, the index referred to in this section is the one represented by the department of commerce as reflecting most accurately changes in the purchasing power of the dollar for consumers.

(d) The commissioner shall announce and publish:

(1) on or before April 30 of each year in which dollar amounts are to change, the changes in dollar amounts required by paragraph (b); and

(2) promptly after the changes occur, changes in the index required by paragraph (c) including, if applicable, the numerical equivalent of the reference base index under a revised reference base index and the designation or title of any index superseding the index.

(e) A person does not violate this chapter with respect to a transaction otherwise complying with this chapter if he relies on dollar amounts either

determined according to paragraph (b), clause (2) or appearing in the last publication of the commissioner announcing the then current dollar amounts.

(f) The adjustments provided in this section shall not be affected unless explicitly provided otherwise by law.

Sec. 22. Minnesota Statutes 1984, section 56.19, subdivision 4, is amended to read:

Subd. 4. [REMEDIES EXCLUSIVE.] The remedies set forth in this section and section 48.196 are exclusive and, ~~except as otherwise provided in this chapter.~~ A violation of any provision of this chapter does not impair rights on a debt.

Sec. 23. Minnesota Statutes 1984, section 56.19, is amended by adding a subdivision to read:

Subd. 2a. [PENALTY FOR INTENTIONAL VIOLATIONS.] Any lender intentionally violating this chapter, when the violation does not also constitute a violation of any other provision of state or federal law for which there is a remedy, shall be liable to the consumer in an amount not to exceed \$100 for each violation.

Sec. 24. Minnesota Statutes 1984, section 550.37, subdivision 4a, is amended to read:

Subd. 4a. [ADJUSTMENT OF DOLLAR AMOUNTS.] (a) The dollar amounts in ~~subdivision 4~~ this section shall change periodically as provided in this subdivision to the extent of changes in the implicit price deflator for the gross national product, 1972 = 100, compiled by the United States department of commerce, and hereafter referred to as the index. The index for December, ~~1982~~ 1980, is the reference base index.

(b) The designated dollar amounts shall change on July 1 of each even-numbered year if the percentage of change, calculated to the nearest whole percentage point, between the index for December of the preceding year and the reference base index is ten percent or more. The portion of the percentage change in the index in excess of a multiple of ten percent shall be disregarded and the dollar amounts shall change only in multiples of ten percent of the amounts stated in ~~subdivision 4~~ this section.

(c) If the index is revised, the percentage of change pursuant to this section shall be calculated on the basis of the revised index. If a revision of the index changes the reference base index, a revised reference base index shall be determined by multiplying the reference base index then applicable by the rebasing factor furnished by the department of commerce. If the index is superseded, the index referred to in this section is the one represented by the department of commerce as reflecting most accurately changes in the purchasing power of the dollar for consumers.

(d) The commissioner of commerce shall announce and publish:

(1) on or before April 30 of each year in which dollar amounts are to change, the changes in dollar amounts required by paragraph (b); and

(2) promptly after the changes occur, changes in the index required by paragraph (c) including, if applicable, the numerical equivalent of the refer-

ence base index under a revised reference base index and the designation or title of any index superseding the index.

(e) A person does not violate this chapter with respect to a transaction otherwise complying with this chapter if he relies on dollar amounts either determined according to paragraph (b) or appearing in the last publication of the commissioner announcing the then current dollar amounts.

Sec. 25. [REPEALER.]

Minnesota Statutes 1984, section 53.03, subdivision 4, is repealed.

Sec. 26. [APPLICATION.]

Sections 1 to 25 do not affect the adjustments to dollar amounts made pursuant to Minnesota Statutes, section 56.131, subdivision 4, on July 1, 1984, or thereafter unless otherwise specifically provided.

Sec. 27. [EFFECTIVE DATE.]

Sections 1 to 23 and 25 are effective the day following final enactment. Section 24 is effective July 1, 1986."

Delete the title and insert:

"A bill for an act relating to commerce; authorizing industrial loan and thrifts to sell certain evidences of indebtedness; authorizing the FDIC to act as receiver or liquidator of closed financial institution and providing a right of subrogation; establishing different certificate of authorization requirements for corporations that will and will not sell or issue thrift certificates; modifying certain application and examination duties of the department of commerce; providing simplified requirements for the issuance of more than one certificate of authorization to the same corporation; clarifying the right of industrial loan and thrifts to collect certain additional loan charges; exempting certain mortgage purchasers and assignees from licensing as regulated lenders; prohibiting industrial loan and thrifts from using the words "savings and loan" in their corporate names; authorizing regulated lenders to make loans up to ten percent of capital; modifying the licensing provisions governing regulated lenders; providing for changes in business locations of regulated lenders; increasing the minimum default charge that may be charged; providing for the determination of interest; and providing alternative loan disclosure requirements; providing an inflation adjustment for amounts exempt from creditors; providing penalties; amending Minnesota Statutes 1984, sections 48.151; 49.05, by adding subdivisions; 53.03, subdivisions 1, 2, 2a, 3a, 5, 7, 8, and by adding a subdivision; 53.04, subdivision 3a; 53.05; 56.01; 56.04; 56.07; 56.12; 56.125, subdivision 4; 56.131, subdivisions 1, 2, and 4; 56.19, subdivision 4, and by adding a subdivision; and 550.37, subdivision 4a; repealing Minnesota Statutes 1984, section 53.03, subdivision 4."

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

Senate Conferees: (Signed) Darril Wegscheid, Eric D. Petty, Carl W. Kroening

House Conferees: (Signed) Kathleen Blatz, James Metzen, Merlyn O. Valan

Mr. Wegscheid moved that the foregoing recommendations and Confer-

ence Committee Report on S.F. No. 230 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 230 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 401 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 401

A bill for an act relating to creditor's remedies; providing for an increase in the amount of farm machines and implements exemption; clarifying the garnishment limitation for the sale of farm products; authorizing the court to allow the respondent in a replevin action to retain or regain possession without posting a bond; authorizing the court to stay an action to recover possession for up to six months; extending the effective period of a garnishee summons; amending Minnesota Statutes 1984, sections 550.37, subdivisions 5, 7, 13, 14, and 24; 565.25, subdivision 2; 571.41, subdivisions 6 and 7; 571.42; 571.495, subdivision 3; and 571.55, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 565.

May 20, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 401, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 401 be further amended as follows:

Delete everything after the enacting clause and insert:

"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 *or after the effective date of this section and prior to May 1, 1987*, 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 583.01 to 583.12.

Sec. 2. Minnesota Statutes 1984, section 550.37, subdivision 5, is amended to read:

Subd. 5. Farm machines and implements used in farming operations by a debtor engaged principally in farming, livestock, farm produce, and standing crops, not exceeding ~~\$5,000~~ \$10,000 in value.

Sec. 3. Minnesota Statutes 1984, section 550.37, subdivision 7, is amended to read:

Subd. 7. The total value of property selected by a debtor pursuant to subdivisions 5 and 6 shall not exceed ~~\$5,000~~ \$10,000.

Sec. 4. Minnesota Statutes 1984, section 550.37, subdivision 13, is amended to read:

Subd. 13. **[WAGES EARNINGS.]** All ~~wages~~ *earnings* not subject to garnishment by the provisions of section 571.55. A subsequent attachment, garnishment or levy of execution shall impound only that pay period's non-exempt disposable earnings not subject to a prior attachment, garnishment or levy of execution, but in no instance shall more than an individual's total nonexempt disposable earnings in that pay period be subject to attachment, garnishment or levy of execution. Garnishments shall impound the nonexempt disposable earnings in the order of their service upon the employer. The disposable earnings exempt from garnishment are exempt as a matter of right, whether claimed or not by the person to whom due. The exemptions may not be waived. The exempt disposable earnings are payable by the employer when due. The exempt disposable earnings shall also be exempt for 20 days after deposit in any financial institution, whether in a single or joint account. This 20-day exemption also applies to any contractual set-off or security interest asserted by a financial institution in which the earnings are deposited by the individual. In tracing the funds, the first-in first-out method of accounting shall be used. The burden of establishing that funds are exempt rests upon the debtor. As used in this section, the term "financial institution" includes credit unions. Nothing in this paragraph shall void or supersede any valid assignment of ~~wages~~ *earnings* or transfer of funds held on account made prior to the attachment, garnishment, or levy of execution.

Sec. 5. Minnesota Statutes 1984, section 550.37, subdivision 14, is amended to read:

Subd. 14. [PUBLIC ASSISTANCE.] All relief based on need, and the ~~wages earnings~~ or salary of a person who is a recipient of relief based on need, shall be exempt from all claims of creditors including any contractual set-off or security interest asserted by a financial institution. For the purposes of this chapter, relief based on need includes AFDC, general assistance medical care, supplemental security income, medical assistance, Minnesota supplemental assistance, and general assistance. The salary or ~~wages earnings~~ of any debtor who is or has been a recipient of relief based on need, or an inmate of a correctional institution shall, upon his return to private employment *or farming* after having been a recipient of relief based on need, or an inmate of a correctional institution, be exempt from attachment, garnishment, or levy of execution for a period of six months after his return to employment *or farming* and after all public assistance has been terminated. The exemption provisions contained in this subdivision also apply for 60 days after deposit in any financial institution, whether in a single or joint account. In tracing the funds, the first-in first-out method of accounting shall be used. The burden of establishing that funds are exempt rests upon the debtor. Agencies distributing relief and the correctional institutions shall, at the request of creditors, inform them whether or not any debtor has been a recipient of relief based on need, or an inmate of a correctional institution, within the preceding six months.

Sec. 6. Minnesota Statutes 1984, section 550.37, subdivision 24, is amended to read:

Subd. 24. [EMPLOYEE BENEFITS.] The debtor's right to receive a ~~payment present or future payments~~, or payments received by the debtor, under a stock bonus, pension, profit sharing, annuity, *individual retirement account, individual retirement annuity, simplified employee pension*, or similar plan or contract on account of illness, disability, death, age, or length of service, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor.

Sec. 7. Minnesota Statutes 1984, section 559.21, subdivision 6, is amended to read:

Subd. 6. [TEMPORARY MINIMUM NOTICE.] (a) Notwithstanding the provisions of any other law to the contrary, no contract for conveyance of homestead property, as defined in section 583.02, 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 after the effective date of this section and prior to May 1, 1987*, 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 under sections 583.01 to 583.12.

(b) *The notice must be in bold type, capitalized letters, or other form sufficient for the reader to quickly and easily distinguish the notice from the rest of the writing; violation of this requirement is a petty misdemeanor.*

(c) This section does not apply to earnest money contracts, purchase agreements or exercised options.

Sec. 8. Minnesota Statutes 1984, section 565.25, subdivision 2, is

amended to read:

Subd. 2. (a) Except as otherwise provided in clause (b) and section 9, the respondent may retain or regain possession of the property by filing of a bond approved by the court conditioned that the property shall be delivered to the claimant, if delivery be adjudged, and for the payment to the claimant of any sum adjudged against the respondent. The bond shall be in an amount 1-1/4 times the fair market value of the property or 1-1/2 times the amount of the claimant's claim, whichever is less. An order for seizure may specify a time limitation within which the bond must be filed. For the purpose of protecting or preserving the property pending final hearing on the merits, the court may in extraordinary circumstances, which shall be specified in its order, provide that the respondent may not retain or regain possession of the property upon rebonding, or may limit or condition the right to retain or regain the property upon rebonding. The costs of regaining possession of the property from the sheriff or the claimant shall be borne by respondent except as set forth in clause (b).

(b) If at a hearing following seizure of property pursuant to section 565.24 claimant fails to establish a right to continued possession, the court shall order the property returned to respondent, the costs to be borne by claimant. The court may order claimant's bond to continue in an amount sufficient to offset damages claimed by respondent by reason of the seizure.

Sec. 9. [565.251] [POSSESSION BY RESPONDENT WITHOUT BOND; STAY OF PROCEEDING.]

The court may allow the respondent to retain or regain possession of the property without filing a bond and may stay the action by the claimant for a reasonable period of time not to exceed six months if the following conditions are met:

(1) the respondent is unable to make the required payments due to unforeseen economic circumstances beyond the respondent's control;

(2) the respondent is dependent on the use of the property to earn a living;

(3) the respondent insures the property for its fair market value;

(4) the respondent makes periodic payments to the claimant representing the depreciation in market value of the property while the respondent retains possession, in an amount and during the times determined by the court; and

(5) the respondent makes periodic payments to the claimant representing the value of the use of the property or the cost to the claimant of the lost opportunity to use the property, in an amount and during the times determined by the court.

Sec. 10. Minnesota Statutes 1984, section 571.41, subdivision 6, is amended to read:

Subd. 6. [FORM OF NOTICE.] The ten day notice informing a judgment debtor that a garnishee summons may be used to garnish the ~~wages~~ earnings of an individual to enforce a judgment, shall be substantially in the following form:

STATE OF MINNESOTA

)
) ss

County of _____

)

_____ Court

(Judgment Creditor)

(Judgment Debtor)

Garnishment Exemption Notice

The State of Minnesota

To the above named Judgment Debtor:

Please take notice that a Garnishment Summons may be served upon your employer or other third parties, without any further court proceedings or notice to you, ten days or more from the date hereof. Your ~~wages~~ earnings are completely exempt from garnishment if you are now a recipient of relief based on need, if you have been a recipient of relief within the last six months, or if you have been an inmate of a correctional institution in the last six months. Relief based on need includes, only AFDC, general assistance medical care, supplemental security income, medical assistance, Minnesota supplemental assistance, and general assistance.

If you wish to claim an exemption, you should fill out the appropriate form below, sign it, and send it to the judgment creditor's attorney and the garnishee.

You may wish to contact the attorney for the Judgment Creditor in order to arrange for a settlement of the debt.

PENALTIES

1. Be advised that even if you claim an exemption, a Garnishment Summons may still be served on your employer. If your ~~wages~~ earnings are garnished after you claim an exemption, you may petition the court for a determination of your exemption. If the court finds that the creditor disregarded your claim of exemption in bad faith, you will be entitled to costs, reasonable attorney fees, actual damages, and an amount not to exceed \$100.

2. HOWEVER, BE WARNED if you claim an exemption, the creditor can also petition the court for a determination of your exemption, and if the court finds that you claimed an exemption in bad faith, you will be assessed costs and reasonable attorney's fees plus an amount not to exceed \$100.

3. If after receipt of this notice, you in bad faith take action to frustrate the garnishment, thus requiring the creditor to petition the court to resolve the problem, you will be liable to the creditor for costs and reasonable attorney fees plus an amount not to exceed \$100.

Dated: _____

(Attorney for) Judgment Creditor

Address

Telephone

I hereby claim under penalty of perjury that my ~~wages~~ earnings are exempt from garnishment because:

(1) _____ I am presently a recipient of relief based on need. (Specify the program, case number, and the county from which relief is being received.)

Program_____
Case Number (if known)_____
County

(2) _____ I am not now receiving relief based on need, but I have received relief based on need within the last six months. (Specify the program, case number, and the county from which relief has been received.)

Program

Case Number (if known)

County

(3) _____ I have been an inmate of a correctional institution within the last six months. (Specify the correctional institution and location.)

Correctional Institution

Location

I hereby authorize any agency that has distributed relief to me or any correctional institution in which I was an inmate to disclose to the above-named creditor or his attorney whether or not I was a recipient of relief based on need or an inmate of a correctional institution within the last six months.

Judgment Debtor
Address

Sec. 11. Minnesota Statutes 1984, section 571.41, subdivision 7, is amended to read:

Subd. 7. [FORM OF EXEMPTION NOTICE.] The notice informing a judgment debtor that a writ of attachment, garnishee summons, or levy of execution has been used to attach and bind funds of the judgment debtor to satisfy a claim shall be substantially in the following form:

EXEMPTION NOTICE

STATE OF MINNESOTA
COUNTY OF _____

_____ Court

(Judgment Creditor)

(Judgment Debtor)
To _____ (Judgment Debtor):

A writ of attachment, garnishee summons, or levy of execution (strike inapplicable language) has been served on _____ (Bank or other Financial Institution) _____ where you have an account.

Your account balance is \$ _____.

The amount being held is \$ _____.

However, the funds in your account will normally be exempt from creditors' claims if they are in one of the following categories:

(1) Relief based on need. This includes AFDC, Medical Assistance, Supplemental Security Income (SSI), Minnesota Supplemental Assistance, General Assistance, and General Assistance Medical Care.

(2) Social Security benefits (Old Age, Survivors, or Disability Insurance).

(3) Unemployment compensation, workers' compensation, or veteran's benefits.

(4) An accident, disability, or retirement pension or annuity.

(5) Life insurance proceeds, or the earnings of your minor child.

(6) Money from a claim for damage or destruction of exempt property (such as household goods, farm tools, business equipment, a mobile home, or a car).

The following funds are also exempt:

(7) All ~~wages~~ *earnings* of a person in category (1).

(8) All ~~wages~~ *earnings* of a person who has received relief based on need, or who has been an inmate of a correctional institution, within the last six months.

(9) Seventy-five percent of every ~~wage earner's debtor's~~ after tax earnings.

(10) All of a ~~wage earner's debtor's~~ after tax earnings below 40 times the federal minimum wage (this equals \$134 for a 40-hour week).

TIME LIMIT ON EXEMPTIONS AFTER DEPOSIT IN BANK:

Categories (9) and (10): 20 days.

Categories (7) and (8): 60 days.

All others: no time limit, as long as funds are traceable to the exempt source. (In tracing funds, the first-in, first-out method is used. This means money deposited first is spent first.) The money being sought by the creditor is being held in your account to give you a chance to claim an exemption.

TO CLAIM AN EXEMPTION:

Fill out, sign, and mail or deliver one copy of this exemption claim form to the institution which sent you this notice, and one copy to the judgment creditor. Both copies must be mailed or delivered on the same day.

If they don't get the exemption claim back from you within 14 days of the date they mailed or gave it to you, they will be free to turn the money over to the sheriff or the creditor. If you are going to claim an exemption, do so as soon as possible, because your money may be frozen until it is decided.

IF YOU CLAIM AN EXEMPTION:

(1) Nonexempt money can be turned over to the creditor or sheriff;

(2) The financial institution will keep holding the money claimed to be exempt; and

(3) Seven days after receiving your exemption claim, the financial institution will release the money to you unless before then it receives an objection to your exemption claim.

IF THE CREDITOR OBJECTS TO YOUR EXEMPTION CLAIM:

(1) The institution will hold the money until a court decides if your exemption claim is valid, **BUT ONLY IF** the institution gets a copy of your court motion papers asserting the exemption **WITHIN 10 DAYS** after the objection is mailed or given to you. You may wish to consult an attorney at once if the creditor objects to your exemption claim.

MOTION TO DETERMINE EXEMPTION:

At any time after your funds have been frozen, you may ask for a court

decision on the validity of your exemption claim by filing a request for hearing which may be obtained at the office of the clerk of the above court.

PENALTIES:

If you claim an exemption in bad faith, or if the creditor wrongly objects to an exemption in bad faith, the court may order the person who acted in bad faith to pay costs, actual damages, attorney fees, and an additional amount of up to \$100.

Date _____

(Attorney for) Judgment Creditor
Address

EXEMPTION:

(a) Amount of exemption claim.

/ / I claim ALL the funds being held are exempt.

/ / I claim SOME of the funds being held are exempt. The exempt amount is \$_____.

(b) Basis for exemption.

Of the ten categories listed above, I am in category number _____. (If more than one category applies, you may fill in as many as apply.) The source of the exempt funds is the following:

(If the source is a type of relief based on need, list the case number and county:

case number: _____;

county: _____.)

Dated: _____

Judgment Debtor
Address

Sec. 12. Minnesota Statutes 1984, section 571.42, is amended to read:

571.42 [EFFECT OF SERVICE OF SUMMONS.]

Subdivision 1. [ATTACH FOR JUDGMENT.] Except as provided in sections 571.43 and 571.50, service of the garnishee summons upon the garnishee shall attach and bind, to respond to final judgment in the action, all personal property of the judgment debtor in his possession or under his control and all indebtedness owing by him to the judgment debtor at the time of service and all nonexempt disposable earnings earned or to be earned within that pay period and within ~~30~~ 60 days thereafter.

Subd. 2. [PROPERTY ATTACHED.] Subject to the provisions of sections 550.37 and 571.55 all moneys, all nonexempt disposable earnings earned or to be earned within that pay period and within ~~30~~ 60 days thereafter and other personal property including property of any kind due from or in the hands of an executor, administrator, receiver or trustee and all written evidences of indebtedness whether negotiable or not or under or overdue may be

attached by garnishment, and money or any other thing due or belonging to the judgment debtor may be attached by this process before it has become payable if its payment or delivery does not depend upon any contingency, but the garnishee shall not be compelled to pay or deliver it before the time appointed by the contract.

Sec. 13. Minnesota Statutes 1984, section 571.495, subdivision 3, is amended to read:

Subd. 3. [FORM OF DISCLOSURE.] A garnishment disclosure form must be served upon the garnishee. The disclosure shall be substantially in the following form:

STATE OF MINNESOTA)
) ss
 County of _____) _____ Court

Judgment Creditor
 .vs.

 Judgment Debtor
 and

 Garnishee

I am the _____ of the garnishee herein, and duly authorized to disclose for said garnishee.

On the _____ day of _____, 19_____, the time of service of garnishee summons herein on said garnishee, there was due and owing the judgment debtor above named from said garnishee the following:

(1) Earnings. For the purposes of garnishment, "earnings" means compensation paid or payable for personal service or compensation paid or payable to the producer for the sale of agricultural products; livestock or livestock products; milk or milk products; or fruit or other horticultural products produced when the producer is operating a family farm, a family farm corporation, or an authorized farm corporation, as defined in section 500.24, subdivision 2, whether denominated as wages, salary, commission, bonus or otherwise, and includes periodic payments pursuant to a pension or retirement program. "Disposable earnings" means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld. If the garnishee summons was served upon you at a time when earnings from a prior completed pay period were owing but not paid, complete the following disclosure for earnings from both that past pay period and the current pay period.

(a) Enter on the line below the amount of disposable earnings earned or to be earned by the judgment debtor within the judgment debtor's pay periods which may be subject to garnishment.

(b) Enter on the line below 40 times the hourly federal minimum wage times the number of work weeks within the judgment debtor's pay periods which may be subject to garnishment. When such pay periods consists of

other than a whole number of work weeks, each day of a pay period in excess of the number of completed work weeks shall be counted as a fraction of a work week equal to the number of work days divided by the number of work days in the normal work week.

(c) Enter on the line below the difference obtained (never less than zero) when line (b) is subtracted from line (a).

(d) Enter on the line below 25 percent of line (a).

(e) Enter on the line below the lesser of line (c) and line (d).

(2) Money. Enter on the line below any amounts due and owing the judgment debtor, except earnings, from the garnishee.

(3) Property. Describe on the line below any personal property, instruments or papers belonging to the judgment debtor and in the possession of the garnishee.

(4) Set-off. Enter on the line below the amount of any set-off, defense, lien or claim which the garnishee claims against the amount set forth on lines (1)(e), (2) and (3) above. Allege the facts by which such set-off, defense, lien or claim is claimed. (Any indebtedness to a ~~garnishee employer~~ garnishee incurred by the judgment debtor within 10 days prior to the receipt of the first garnishment on a debt is void and should be disregarded.)

(5) Exemption. Enter on the line below any amounts or property claimed by the judgment debtor to be exempt from execution.

(6) Adverse Interest. Enter on the line below any amounts claimed by other persons by reason of ownership or interest in the judgment debtor's property. (Any assignment of wages made by the judgment debtor within 10 days prior to the receipt of the first garnishment on a debt is void and should be disregarded. State the names and addresses of such persons and the nature of their claim, if known.)

(7) Enter on the line below the total of lines (4), (5) and (6).

(8) Enter on the line below the difference obtained (never less than zero) when line (7) is subtracted from the sum of lines (1)(e), (2) and (3).

(9) Enter on the line below 110 percent of the amount of the judgment creditor's judgment which remains unpaid.

(10) Enter on the line below the lesser of line (8) and line (9). As garnishee, you are hereby instructed to retain this amount only if it is \$10 or more.

Authorized Representative of Garnishee

Title

Subscribed and sworn to before me

This _____ day of _____, 19____

Notary Public

County, Minnesota.

Sec. 14. Minnesota Statutes 1984, section 571.55, subdivision 1, is amended to read:

Subdivision 1. For the purposes of this section, "earnings" means compensation paid or payable for personal service or compensation paid or payable to the producer for the sale of agricultural products; livestock or live-stock products; milk or milk products; or fruit or other horticultural products produced when the producer is operating a family farm, a family farm corporation, or an authorized farm corporation, as defined in section 500.24, subdivision 2, whether denominated as wages, salary, commissions, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement program. "Disposable earnings" means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld.

Sec. 15. Minnesota Statutes 1984, section 580.031, is amended to read:

580.031 [~~TEMPORARY~~ MINIMUM NOTICE.]

(a) 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 or after the effective date of this section and prior to May 1, 1987. The notice must contain the information specified in section 580.04.

(b) The notice must be in bold type, capitalized letters, or other form sufficient for the reader to quickly and easily distinguish the notice from the rest of the writing; violation of this requirement is a petty misdemeanor.

(c) 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. 16. 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. 17. Minnesota Statutes 1984, section 583.03, subdivision 2, is amended to read:

Subd. 2. [GENERAL EXCLUSION.] The provisions of sections 47.20, subdivision 15, 559.21, subdivision 6, 580.031, and 583.01 to 583.12 do not apply to mortgages or contracts for deed made after ~~May 24, 1983~~ *the effective date of this act*, nor to mortgages or contracts for deed made before ~~May 24, 1983~~ *the effective date of this act* which are renewed or extended after ~~May 24, 1983~~ *the effective date of this act*, for a period longer than one year, nor to mortgages, judgments, or contracts for deed, regardless of when made, if a second or subsequent mortgage is made against the property after ~~May 24, 1983~~ *the effective date of this act*.

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. 18. 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. 19. 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. 20. 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. 21. 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. 22. Minnesota Statutes 1984, section 223A.01, as added by S.F. No. 919, section 6, if enacted by the 1985 regular session, is amended to read:

223A.01 [FARM PRODUCTS THAT ARE BOUGHT SUBJECT TO A SECURITY INTEREST.]

Subdivision 1. [REGISTERED BUYER TAKES FREE OF SECURITY INTEREST UNLESS NOTIFIED.] A buyer in the ordinary course of business who is a registered buyer in the county of the seller's residence under section 386.42, and who purchases farm products from a person engaged in farming operations takes free of a security interest created by the seller even though the security interest is perfected and the buyer knows of its existence, unless the buyer is notified of the security interest as provided in subdivision 4.3.

Subd. 2. [BUYERS THAT PURCHASE SUBJECT TO A SECURITY INTEREST.] A buyer in the ordinary course of business that is registered under section 386.42 in the seller's county of residence who is notified by a secured party as provided under subdivision 3, purchases farm products from a person engaged in farming operations subject to the perfected security interest. A buyer who is not registered under section 386.42 in the seller's county of residence purchases farm products from a person engaged in farming operations subject to perfected security interests.

A buyer who purchases farm products subject to a security interest under this section *subdivision* shall include the name of the secured party as joint payee on any check or other instrument issued in payment for the farm products, unless the secured party gives the buyer written notice of waiver of this requirement. Issuance of joint payment as herein required relieves the buyer of any further liability to the secured party.

Subd. 3. [NOTIFICATION OF SECURITY INTEREST.] A secured party may, by certified mail or another method by which receipt can be verified, notify a buyer that a debtor has farm products subject to a security interest.

The notification is effective upon receipt until September 1 after the notification is made; or for a notification made after August 20 but before September 1, the notification is effective for one year beginning September 1. A buyer who receives notification from a secured party under this subdivision shall not publicly post or disseminate to any person, other than its agents and employees who reasonably require the information for purposes related to this ~~act~~ *section*, any information contained in the notification.

A secured party that furnishes to a buyer a list of debtors who have farm products subject to a security interest is not liable to a debtor whose name is on the list for furnishing the list.

Subd. 4. [COMMISSION MERCHANT.] *Notwithstanding section 336.1-201, subsection (9), a commission merchant or selling agent who sells farm products for another for a fee, that is a registered buyer under section 386.42, is a buyer in the ordinary course of business under this chapter and section 336.9-307, subsection (1), for transactions involving farm products.*

Sec. 23. Minnesota Statutes 1984, section 336.9-307, as amended by S.F. No. 919, section 7, if enacted by the 1985 regular session, is amended to read:

336.9-307 [PROTECTION OF BUYERS OF GOODS.]

(1) A buyer in ordinary course of business (subsection (9) of section 336.1-201) takes free of a security interest created by his seller even though the security interest is perfected and even though the buyer knows of its

existence, except that a buyer in the ordinary course of business who purchases farm products from a person engaged in farming operations is subject to section 386.42 223A.01.

(2) In the case of consumer goods, a buyer takes free of a security interest even though perfected if he buys without knowledge of the security interest, for value and for his own personal, family or household purposes unless prior to the purchase the secured party has filed a financing statement covering such goods.

(3) A buyer other than a buyer in ordinary course of business (subsection (1) of this section) takes free of a security interest to the extent that it secures future advances made after the secured party acquires knowledge of the purchase, or more than 45 days after the purchase, whichever first occurs, unless made pursuant to a commitment entered into without knowledge of the purchase and before the expiration of the 45 day period.

Sec. 24. Minnesota Statutes 1984, section 336.9-402, is amended to read:

336.9-402 [FORMAL REQUISITES OF FINANCING STATEMENT; AMENDMENTS; MORTGAGE AS FINANCING STATEMENT.]

(1) A financing statement is sufficient if it gives the name of the debtor and the secured party, is signed by the debtor, gives an address of the secured party from which information concerning the security interest may be obtained, gives a mailing address of the debtor and contains a statement indicating the types or describing the items, of collateral. A financing statement may be filed before a security agreement is made or a security interest otherwise attaches. When the financing statement covers crops growing or to be grown, the statement must also contain a description of the real estate concerned and the name of the record owner thereof. *The financing statement may only cover the crops grown by a debtor in a single growing season and may not cover other collateral.* When the financing statement covers timber to be cut or covers minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or when the financing statement is filed as a fixture filing (section 336.9-313) and the collateral is goods which are or are to become fixtures, the statement must also comply with subsection (5). A copy of the security agreement is sufficient as a financing statement if it contains the above information and is signed by the debtor. A carbon, photographic or other reproduction of a security agreement or a financing statement is sufficient as a financing statement if the security agreement so provides or if the original has been filed in this state.

(2) A financing statement which otherwise complies with subsection (1) is sufficient when it is signed by the secured party instead of the debtor when it is filed to perfect a security interest in

(a) collateral already subject to a security interest in another jurisdiction when it is brought into this state, or when the debtor's location is changed to this state. Such a financing statement must state that the collateral was brought into this state or that the debtor's location was changed to this state under such circumstances; or

(b) proceeds under section 336.9-306 if the security interest in the original collateral was perfected. Such a financing statement must describe the original collateral; or

(c) collateral as to which the filing has lapsed within one year; or

(d) collateral acquired after a change of name, identity or corporate structure of the debtor (subsection (7)); or

(e) a lien filed pursuant to Minnesota Statutes, chapter 514; or

(f) collateral which is subject to a filed judgment.

(2a) Except for documents filed under clauses (e) and (f), the reason for the omission of the debtor signature must be stated on the front of the financing statement.

(3) A form substantially as follows is sufficient to comply with subsection (1):

Name of debtor (or assignor)

Address

Name of secured party (or assignee)

Address

1. This financing statement covers the following types (or items) of property:

(Describe)

2. (If collateral is crops) The above described crops are growing or are to be grown on:

(Describe real estate and the name of the record owner thereof) _____

3. (If applicable) The above goods are to become fixtures on

(Describe real estate) _____ and this financing statement is to be filed for record in the real estate records. (If the debtor does not have an interest of record) The name of a record owner is _____.

4. (If products of collateral are claimed)

Products of the collateral are also covered.

Use whichever signature line is applicable.

Signature of debtor (or assignor)

Signature of secured party (or assignee)

(4) A financing statement may be amended by filing a writing signed by

both the debtor and the secured party. If the sole purpose of the amendment is to change the name or address of the secured party, only the secured party need sign the amendment. A writing is sufficient if it sets forth the name and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment, the file number and date of filing of the financing statement. An amendment does not extend the period of effectiveness of a financing statement. If any amendment adds collateral, it is effective as to the added collateral only from the filing date of the amendment. In this article, unless the context otherwise requires, the term "financing statement" means the original financing statement and any amendments.

(5) A financing statement covering timber to be cut or covering minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or a financing statement filed as a fixture filing (section 336.9-313) where the debtor is not a transmitting utility, must show that it covers this type of collateral, must recite that it is to be filed for record in the real estate records, and the financing statement must contain a description of the real estate sufficient if it were contained in a mortgage of the real estate to give constructive notice of the mortgage under the law of this state. If the debtor does not have an interest of record in the real estate, the financing statement must show the name of a record owner. No description of the real estate or the name of the record owner thereof is required for a fixture filing where the debtor is a transmitting utility. Notwithstanding the foregoing a general description of the real estate is sufficient for a fixture filing where a railroad is the record owner of the real estate on which the fixtures are or are to be located; and for the purposes of this subsection, the requirement of a general description is satisfied if the fixture filing (1) identifies the section, township and range numbers of the county in which the land is located; (2) identifies the quarter-quarter of the section that the land is located in; (3) indicates the name of the record owner of the real estate; and (4) states the street address of the real estate if one exists.

(6) A mortgage is effective as a financing statement filed as a fixture filing from the date of its recording if (a) the goods are described in the mortgage by item or type, (b) the goods are or are to become fixtures related to the real estate described in the mortgage, (c) the mortgage complies with the requirements for a financing statement in this section other than a recital that it is to be filed in the real estate records, and (d) the mortgage is duly recorded. No fee with reference to the financing statement is required other than the regular recording and satisfaction fees with respect to the mortgage.

(7) A financing statement sufficiently shows the name of the debtor if it gives the individual, partnership or corporate name of the debtor, whether or not it adds other trade names or the names of partners. Where the debtor so changes his name or in the case of an organization its name, identity or corporate structure that a filed financing statement becomes seriously misleading, the filing is not effective to perfect a security interest in collateral acquired by the debtor more than four months after the change, unless a new appropriate financing statement is filed before the expiration of that time. A filed financing statement remains effective with respect to collateral transferred by the debtor even though the secured party knows of or consents to the transfer.

(8) A financing statement, amendment, continuation, assignment, release, or termination substantially complying with the requirements of this section is effective even though it contains minor errors which are not seriously misleading.

Sec. 25. Minnesota Statutes 1984, section 336.9-403, is amended to read:

336.9-403 [WHAT CONSTITUTES FILING; DURATION OF FILING; EFFECT OF LAPSED FILING; DUTIES OF FILING OFFICER.]

(1) Presentation for filing of a financing statement and tender of the filing fee or acceptance of the statement by the filing officer constitutes filing under this article.

(2) Except as provided in ~~subsection~~ *subsections (6) and (9)* a filed financing statement is effective for a period of five years from the date of filing. The effectiveness of a filed financing statement lapses on the expiration of the five year period unless a continuation statement is filed prior to the lapse. If a security interest perfected by filing exists at the time insolvency proceedings are commenced by or against the debtor, the security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five year period, whichever occurs later regardless of whether the financing statement filed as to that security interest is destroyed by the filing officer pursuant to subsection (3). Upon lapse the security interest becomes unperfected, unless it is perfected without filing. If the security interest becomes unperfected upon lapse, it is deemed to have been unperfected as against a person who became a purchaser or lien creditor before lapse.

(3) A continuation statement may be filed by the secured party within six months prior to the expiration of the five year period specified in subsection (2). Any such continuation statement must be signed by the secured party, set forth the name and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment, identify the original statement by file number and filing date, and state that the original statement is still effective. A continuation statement signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. Upon timely filing of the continuation statement, the effectiveness of the original statement is continued for five years after the last date to which the filing was effective whereupon it lapses in the same manner as provided in subsection (2) unless another continuation statement is filed prior to such lapse. Succeeding continuation statements may be filed in the same manner to continue the effectiveness of the original statement. Unless a statute on disposition of public records provides otherwise, the filing officer may remove a lapsed statement from the files and destroy it immediately if he has retained a microfilm or other photographic record, or in other cases after one year after the lapse. The filing officer shall so arrange matters by physical annexation of financing statements to continuation statements or other related filings, or by other means, that if he physically destroys the financing statements of a period more than five years past, those which have been continued by a continuation statement or which are still effective under subsection (6) shall be retained. If insolvency proceed-

ings are commenced by or against the debtor, the secured party shall notify the filing officer both upon commencement and termination of the proceedings, and the filing officer shall not destroy any financing statements filed with respect to the debtor until termination of the insolvency proceedings. The security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five year period, whichever occurs later.

(4) Except as provided in subsection (7) a filing officer shall mark each statement with a file number and with the date and hour of filing and shall hold the statement or a microfilm or other photographic copy thereof for public inspection. In addition the filing officer shall index the statements according to the name of the debtor and shall note in the index the file number and the address of the debtor given in the statement.

(5) The secretary of state shall prescribe uniform forms for statements and samples thereof shall be furnished to all filing officers in the state. The uniform fee for filing and indexing and for stamping a copy furnished by the secured party to show the date and place of filing for an original financing statement or for a continuation statement shall be \$5 if the statement is in the standard form prescribed by the secretary of state and otherwise shall be \$10, plus in each case, if the financing statement is subject to subsection (5) of section 336.9-402, \$5. An additional fee of \$5 shall be collected if more than one name is required to be indexed or if the secured party, at his option, shows a trade name for any debtor listed. There shall be no fee collected for the filing of an amendment to a financing statement if the amendment is in the standard form prescribed by the secretary of state and does not add additional debtor names to the financing statement. The fee for an amendment adding additional debtor names shall be \$5 if the amendment is in the form prescribed by the secretary of state and, if otherwise, \$10. The fee for an amendment which is not in the form prescribed by the secretary of state but which does not add additional names shall be \$5.

The secretary of state shall adopt rules for filing, amendment, continuation, termination, removal, and destruction of financing statements.

(6) If the debtor is a transmitting utility (subsection (5) of section 336.9-401) and a filed financing statement so states, it is effective until a termination statement is filed. A real estate mortgage which is effective as a fixture filing under subsection (6) of section 336.9-402 remains effective as a fixture filing until the mortgage is released or satisfied of record or its effectiveness otherwise terminates as to the real estate.

(7) When a financing statement covers timber to be cut or covers minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or is filed as a fixture filing, it shall be filed for record and the filing officer shall index it under the names of the debtor and any owner of record shown on the financing statement in the same fashion as if they were the mortgagors in a mortgage of the real estate described, and, to the extent that the law of this state provides for indexing of mortgages under the name of the mortgagee, under the name of the secured party as if he were the mortgagee thereunder, or, for filing offices other than the secretary of state, where indexing is by description in the same fashion as if the financing statement were a mortgage of the real estate described. If requested of the

filing officer on the financing statement, a financing statement filed for record as a fixture filing in the same office where nonfixture filings are made is effective, without a dual filing, as to collateral listed thereon for which filing is required in such office pursuant to section 336.9-401 (1) (a); in such case, the filing officer shall also index the recorded statement in accordance with subsection (4) using the recording data in lieu of a file number.

(8) The fees provided for in this article shall supersede the fees for similar services otherwise provided for by law except in the case of security interests filed in connection with a certificate of title on a motor vehicle.

(9) *A financing statement that covers crops growing or to be grown is effective for a period of two years. A continuation statement may be filed for the products of the crop covered in the original financing statement. A continuation statement is effective for a period of two years and may be filed within six months prior to the expiration of the two-year period for the financing statement.*

Sec. 26. Laws 1983, chapter 215, section 16, as amended by Laws 1984, chapter 474, section 7, is amended to read:

Sec. 16. [REPEALER.]

Sections 1 to 15 are repealed effective July 1, 1985 1987, but any postponement or other relief ordered by a court continues to be valid for the period ordered by the court.

Sec. 27. [EFFECTIVE DATE.]

Sections 4 to 6, and 8 to 14 are effective July 1, 1985. Sections 24 and 25 are effective for crops planted after September 1, 1985. The remaining sections of this act are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to creditor's remedies; providing for an increase in the amount of farm machines and implements exemption; clarifying the garnishment limitation for the sale of farm products; extending the effective period of a garnishee summons; modifying and extending remedies for persons defaulting on homesteads; making technical changes related to persons buying farm products; requiring certain time limits and descriptions for crop financing statements; amending Minnesota Statutes 1984, sections 47.20, subdivision 15; 223A.01; 336.9-307, as amended; 336.9-402; 336.9-403; 550.37, subdivisions 5, 7, 13, 14, and 24; 559.21, subdivision 6; 565.25, subdivision 2; 571.41, subdivisions 6 and 7; 571.42; 571.495, subdivision 3; 571.55, subdivision 1; 580.031; 583.02; 583.03, subdivision 2; 583.04; and Laws 1983, chapter 215, section 16, as amended."

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

Senate Conferees: (Signed) Gary M. DeCramer, Randolph W. Peterson, Ron Sieloff

House Conferees: (Signed) Terry M. Dempsey, K.J. McDonald, Richard J. Cohen

Mr. DeCramer moved that the foregoing recommendations and Conference Committee Report on S.F. No. 401 be now adopted, and that the bill be

repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 401 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 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 43 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 43

A bill for an act relating to transportation; regulating motor carriers; establishing gross vehicle weight limits for courier service vehicles; providing that hours of service rules do not apply to farm vehicles; exempting certain farm vehicles from the vehicle identification rule; providing for rescission of canceled permits if a carrier has insurance coverage; excluding modular home movers from regulation as building movers; amending Minnesota Statutes 1984, sections 168.013, subdivision 1e; 174A.06; 221.011, subdivisions 13 and 25; 221.025; 221.031, subdivisions 2 and 6; 221.131, by adding a subdivision; 221.161, subdivision 1; 221.185, subdivision 4, and by adding a subdivision; 221.231; 221.291, subdivision 1; 221.65; 221.67; 221.68; 221.81, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1984, sections 221.296, subdivision 2; 221.61; 221.62; 221.63; 221.64; and 221.66.

May 20, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 43, report that we have agreed

upon the items in dispute and recommend as follows:

That the Senate concur in the House amendments and that S.F. No. 43 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 117.075, is amended to read:

117.075 [COURT TO APPOINT COMMISSIONERS.]

Upon proof being filed of the service of such notice, the court, at the time and place therein fixed or to which the hearing may be adjourned, shall hear all competent evidence offered for or against the granting of the petition, regulating the order of proof as it may deem best. If the proposed taking shall appear to be necessary and such as is authorized by law, the court by an order shall appoint three disinterested commissioners, and at least two alternates, residents of the county, to ascertain and report the amount of damages that will be sustained by the several owners on account of such taking.

Before appointing a commissioner, the court shall inquire whether each prospective commissioner has any relationship, business or otherwise, to any of the parties in the proceeding, or any interest in the proceeding which may constitute a conflict of interest, or which may create the appearance of impropriety should that person be appointed. Responses to this inquiry must be either written or on the record and made available by the court to any party in the proceeding before and after appointment. No person who might have difficulty in rendering an unbiased decision may be appointed to serve. The court, in its discretion, may appoint one registered, practicing attorney to the commission who is knowledgeable in eminent domain matters. All other commissioners appointed must be persons actively engaged in the occupation of real estate sales or real estate appraising or persons knowledgeable in real estate values. The order shall fix the time and place of the first meeting of the three commissioners and prescribe their compensation. At the first meeting at the office of the clerk of district court the appointees must be sworn by the clerk or an authorized deputy and shall take and sign the following oath before assuming their duties as commissioners:

(TITLE OF PROCEEDING)

_____ each for himself/herself does swear
under penalty of perjury as follows:

I will faithfully and justly perform to the best of my ability, all the duties of the office and trust which I now assume as commissioner in the above entitled proceeding. I further swear that, except as disclosed in writing or on the record, I have no interest in any of the lands in the above proceeding or any present or past relationship, business or personal, with any of the parties to the above proceeding or any other actual or potential conflict of interest, and that I will render fair and impartial decisions, so help me God.

The order may, in the discretion of the court, limit the title or easement to be acquired by the petitioner by defining the rights and privileges which the owner of any of the lands may exercise therein in subordination to the public uses to which it is appropriated. In case any of the commissioners fail com-

missioner fails to act or fails to meet the qualifications required by this section, the court without further notice may appoint another in his or her place.

The clerk of court in each county shall post in the courthouse in a prominent place a notice that a qualified person may apply to have his or her name placed upon a list of potential commission appointees for eminent domain proceedings. The notice must contain the language of the oath which the commissioners are required to take upon appointment and shall list the other qualifications set forth in this section. The court shall give due consideration to the names appearing on the list, but is not bound to make appointments from the list.

Sec. 2. Minnesota Statutes 1984, section 161.20, subdivision 2, is amended to read:

Subd. 2. [ACQUISITION OF PROPERTY; BUILDINGS; RELOCATION OF CORNERS; AGREEMENTS WITH RAILROADS; CONTRACTS.] *He The commissioner is authorized to acquire by purchase, gift, or by eminent domain proceedings as provided by law, in fee or such lesser estate as he the commissioner deems necessary, all lands and properties necessary in laying out, constructing, maintaining, and improving the trunk highway system including recreational vehicle lanes; to locate, construct, reconstruct, improve, and maintain the trunk highway system; to purchase all road material, machinery, tools, and supplies necessary for the construction, maintenance, and improvement thereof; to construct necessary buildings, or rent or acquire by purchase, gift, or condemnation, grounds, and buildings necessary for the storing and housing of such material, machinery, tools, and supplies or necessary for office space for employees or for providing for driver license examinations; to maintain, repair, or remodel such buildings as may be necessary; to acquire by purchase, gift, or condemnation, replacement sites for historically significant buildings or structures and to relocate these buildings or structures onto those sites, reconstructing and maintaining them until disposed of through public sale to the highest responsible bidder; to make agreements with any county for the relocation or re-establishment, by the county, of section, quarter section, or meander corners originally established by the United States, when such relocation or re-establishment is necessary in order to write land acquisition descriptions or by reason of the construction, reconstruction, improvement, or maintenance of a trunk highway; to contract on an equitable basis with railroad companies for the installation and reinstallation of safety devices at trunk highway-railroad grade crossings, and for the construction, reconstruction and maintenance of bridges and approaches existing or necessary for the separation of grades at railroad and trunk highway intersections; and in carrying out his duties, to let all necessary contracts in the manner prescribed by law. The commissioner may make agreements with and cooperate with any governmental authority for the purpose of effectuating the provisions of this chapter.*

Sec. 3. [161.315] [PROTECTION OF PUBLIC CONTRACTS.]

Subdivision 1. [LEGISLATIVE INTENT.] Recognizing that the preservation of the integrity of the public contracting process of the department of transportation is vital to the development of a balanced and efficient transportation system and a matter of interest to the people of the state, the legislature hereby determines and declares that:

(1) the procedures of the department for bidding and awarding department contracts exist to secure the public benefits of free and open competition and to secure the quality of public works;

(2) the opportunity to be awarded department contracts or to supply goods or services to the department is a privilege, not a right; and

(3) the privilege of transacting business with the department or local road authority should be denied to persons convicted of a contract crime in order to preserve the integrity of the public contracting process.

Subd. 2. [DEFINITIONS.] The terms used in this section have the meanings given them in this subdivision:

(a) "Affiliate" means a predecessor or successor of a person under the same or substantially the same control, or a group of entities so connected or associated that one entity controls or has the power to control each of the other entities. "Affiliate" includes the affiliate's principals. One person's ownership of a controlling interest in another entity or a pooling of equipment or income among entities is prima facie evidence that one entity is an affiliate of another.

(b) "Contract crime" means a violation of state or federal antitrust law, fraud, theft, embezzlement, bribery, forgery, misrepresentation, making false statements, falsification or destruction of records, or other criminal offense in connection with obtaining, attempting to obtain, or performing a public or private contract or subcontract.

(c) "Conviction" has the meaning given it in section 609.02, subdivision 5.

(d) "Debar" means to disqualify from receiving a contract or from serving as a subcontractor or material supplier as provided by Laws 1984, chapter 654, article 2, section 8.

(e) "Person" means a natural person or a business, corporation, association, partnership, sole proprietorship, or other entity formed to do business as a contractor, subcontractor, or material supplier and includes an affiliate of a person.

(f) "Pooling" means a combination of persons engaged in the same business or combined for the purpose of engaging in a particular business or commercial venture and who all contribute to a common fund or place their holdings of a given stock or other security in the hand and control of a managing member or committee of the combination.

(g) "Suspend" means to temporarily disqualify from receiving a contract or from serving as a subcontractor or material supplier as provided by Laws 1984, chapter 654, article 2, section 8.

Subd. 3. [PROHIBITIONS.] Except as provided in subdivision 4:

(1) neither the commissioner nor a county, town, or home rule or statutory city may award or approve the award of a contract for goods or services to a person who is suspended or debarred;

(2) neither the commissioner nor a county, town, or home rule or statutory city may award or approve the award of a contract for goods or services

under which a debarred or suspended person will serve as a subcontractor or material supplier; and

(3) a person to whom a contract for goods or services has been awarded may not subcontract with or purchase materials or services from a debarred or suspended person for performance of that contract.

Subd. 4. [EXCEPTIONS.] The commissioner may terminate a debarment by order, or the commissioner or a county, town, or home rule or statutory city may award a contract to a debarred or suspended person when:

(1) that person is the sole supplier of a material or service required by the commissioner or a county, town, or home rule or statutory city;

(2) the commissioner determines that an emergency exists as defined in section 161.32, subdivision 3;

(3) the commissioner of administration determines that an emergency exists as defined in section 16B.08, subdivision 6;

(4) in the case of a contract to be awarded by a county, town, or home rule or statutory city, the governing body thereof determines by resolution that an emergency exists that will result in a road, street, or bridge being closed to travel; or

(5) the contract is for purchasing materials or renting equipment for routine road maintenance.

Subd. 5. [DURATION OF DEBARMENT.] A person who has been convicted of a contract crime must be debarred for a period of not less than one year. This subdivision applies to contract crime violations which occur after June 30, 1985.

Subd. 6. [PREEXISTING CONTRACTS.] The disqualification of a contractor or its affiliate does not affect the contractor's or its affiliate's obligations under any preexisting contract.

Sec. 4. Minnesota Statutes 1984, section 162.07, subdivision 2, is amended to read:

Subd. 2. [MONEY NEEDS DEFINED.] For the purpose of this section, money needs of each county are defined as the estimated total annual costs of constructing, over a period of 25 years, the county state-aid highway system in that county. Costs incidental to construction, or a specified portion thereof as set forth in the commissioner's rules and regulations may be included in determining money needs. When a county state-aid highway is located over a street in a city having a population of 5,000 or more, only the construction costs of the center 24 feet of the street shall be included in the money needs of that county; provided, that when traffic volumes warrant multiple or divided lane highways the construction costs of the necessary number of 12 foot lanes required for through traffic may be included in the money needs. When a county state-aid highway is located over a street in any city of less than 5,000 population, the construction costs of the entire width of the roadway or street surface shall be included in the money needs of that county. To avoid variances in costs due to differences in construction policy, construction costs shall be estimated on the basis of the engineering standards developed cooperatively by the commissioner and the county engineers of the several

counties. Any variance granted pursuant to section 162.02, subdivision 3a shall be reflected in the estimated construction costs in determining money needs.

Sec. 5. Minnesota Statutes 1984, section 162.07, subdivision 3, is amended to read:

Subd. 3. [COMPUTATIONS FOR RURAL COUNTIES.] A two-thirds of one mill levy on each rural county's total taxable valuation for the last preceding calendar year shall be computed and shall be subtracted from such county's total estimated construction costs. The result thereof shall be the money needs of such county. For the purpose of this section, rural counties shall be construed to mean all counties having a population of less than ~~200,000~~ 175,000.

Sec. 6. Minnesota Statutes 1984, section 162.07, subdivision 4, is amended to read:

Subd. 4. [COMPUTATION FOR URBAN COUNTIES.] A four-tenths mill levy on each urban county's total taxable valuation for the last preceding calendar year shall be computed and shall be subtracted from such county's total estimated construction costs. The result thereof shall be the money needs of the county. For the purpose of this section urban counties shall be construed to mean all counties having a population of ~~200,000~~ 175,000 or more.

Sec. 7. [162.071] [SPECIAL PROVISIONS.]

The following provisions apply to county state-aid apportionments in calendar years 1986 and 1987 only:

(a) In calendar year 1985 for the 1986 apportionment the definition of "money needs" includes 50 percent of the construction costs beyond the center 24 feet of a county state-aid highway located over a street in a city of 5,000 or more population.

(b) In calendar year 1986 for the 1987 apportionment the definition of "money needs" must include 100 percent of the construction costs beyond the center 24 feet of a county state-aid highway located over a street in a city of 5,000 or more population.

(c) Notwithstanding paragraphs (a) and (b), the commissioner shall make no apportionment of county state-aid highway funds for calendar years 1986 and 1987 which would result in any county receiving a lesser apportionment of such funds than was apportioned to it in calendar year 1985.

(d) Notwithstanding paragraphs (a) and (b), the apportionment of county state-aid funds for either calendar year 1986 or 1987 for any county may not exceed the apportionment to that county for the previous calendar year, increased by a percentage which is the sum of the percentage by which the total funds available for apportionment to all counties increased over the total funds available for apportionment for the previous calendar years, plus five percent. If the provisions of this clause result in more funds being available for distribution to all counties than can be distributed under these provisions, the commissioner shall apportion the excess funds to the counties in proportion to each county's approved money needs as defined in section 162.07, subdivision 2.

The provisions of this section do not apply to apportionments for any year in which the amount of county state-aid highway funds available for apportionment to all counties is less than the amount which was available for apportionment to all counties in calendar year 1985.

Sec. 8. 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
T	78,001 - 81,000	1620

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.

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 semi-trailer 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~~ 27, 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.

Sec. 9. Minnesota Statutes 1984, section 168.013, subdivision 3, is amended to read:

Subd. 3. [APPLICATION; CANCELLATION; EXCESSIVE GROSS WEIGHTS FORBIDDEN.] The applicant for all licenses based on gross weight shall state in writing upon oath, the unloaded weight of the motor vehicle, trailer or semi-trailer and the maximum load the applicant proposes to carry thereon, the sum of which shall constitute the gross weight upon which the license tax shall be paid, but in no case shall the declared gross weight upon which the tax is paid be less than 1-1/4 times the declared unloaded weight of the motor vehicle, trailer or semi-trailer to be registered, except recreational vehicles taxed under subdivision 1g, school buses taxed under subdivision 18 and wreckers defined in section 169.01, subdivision 52. The gross weight of a wrecker is the actual weight of the wrecker fully equipped, but does not include the weight of a wrecked or disabled vehicle towed or drawn by the wrecker.

The gross weight of no motor vehicle, trailer or semi-trailer shall exceed the gross weight upon which the license tax has been paid by more than four percent or 1000 pounds, whichever is greater.

The gross weight of the motor vehicle, trailer or semi-trailer for which the license tax is paid shall be indicated by a distinctive character on the license plate or plates except as provided in subdivision 12 and the plate or plates shall be kept clean and clearly visible at all times.

The owner, driver, or user of a motor vehicle, trailer or semi-trailer upon conviction for transporting a gross weight in excess of the gross weight for which it was registered or for operating a vehicle with an axle weight exceeding the maximum lawful axle load weight shall be guilty of a misdemeanor and be subject to increased registration or re-registration according to the following schedule:

(1) The owner, driver or user of a motor vehicle, trailer or semi-trailer upon conviction for transporting a gross weight in excess of the gross weight for which it is registered by more than four percent or 1000 pounds, whichever is greater, but less than 25 percent or for operating or using a motor vehicle, trailer or semi-trailer with an axle weight exceeding the maximum lawful axle load as provided in section 169.825 by more than four percent or 1000 pounds, whichever is greater, but less than 25 percent, in addition to any penalty imposed for the misdemeanor shall apply to the registrar to increase the authorized gross weight to be carried on the vehicle to a weight

equal to or greater than the gross weight the owner, driver, or user was convicted of carrying, the increase computed for the balance of the calendar year on the basis of 1/12 of the annual tax for each month remaining in the calendar year beginning with the first day of the month in which the violation occurred. If the additional registration tax computed upon that weight, plus the tax already paid, amounts to more than the regular tax for the maximum gross weight permitted for the vehicle under section 169.825, that additional amount shall nevertheless be paid into the highway fund, but the additional tax thus paid shall not permit the vehicle to be operated with a gross weight in excess of the maximum legal weight as provided by section 169.825. Unless the owner within 30 days after a conviction shall apply to increase the authorized weight and pay the additional tax as provided in this section, the registrar shall revoke the registration on the vehicle and demand the return of the registration card and plates issued on that registration.

(2) The owner or driver or user of a motor vehicle, trailer or semi-trailer upon conviction for transporting a gross weight in excess of the gross weight for which the motor vehicle, trailer or semi-trailer was registered by 25 percent or more, or for operating or using a vehicle or trailer with an axle weight exceeding the maximum lawful axle load as provided in section 169.825 by 25 percent or more, in addition to any penalty imposed for the misdemeanor, shall have the reciprocity privileges on the vehicle involved if the vehicle is being operated under reciprocity cancelled by the registrar, or if the vehicle is not being operated under reciprocity, the certificate of registration on the vehicle operated shall be cancelled by the registrar and the registrar shall demand the return of the registration certificate and registration plates. *The registrar may not cancel the registration or reciprocity privileges for any vehicle found in violation of seasonal load restrictions imposed under section 169.87 unless the axle weight exceeds the year-round weight limit for the highway on which the violation occurred.* The registrar may investigate any allegation of gross weight violations and demand that the operator show cause why all future operating privileges in the state should not be revoked unless the additional tax assessed is paid.

(3) When the registration on a motor vehicle, trailer or semi-trailer is revoked by the registrar according to provisions of this section, the vehicle shall not be operated on the highways of the state until it is registered or re-registered, as the case may be, and new plates issued, and the registration fee shall be the annual tax for the total gross weight of the vehicle at the time of violation. The re-registration pursuant to this subdivision of any vehicle operating under reciprocity agreements pursuant to section 168.181 or 168.187 shall be at the full annual registration fee without regard to the percentage of vehicle miles traveled in this state.

Sec. 10. 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 commissioner 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.

Sec. 11. Minnesota Statutes 1984, section 169.862, is amended to read:

169.862 [PERMITS FOR WIDE LOADS OF BALED HAY AGRICULTURAL PRODUCTS.]

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, ~~12~~ 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.

Sec. 12. Minnesota Statutes 1984, section 169.871, is amended by adding a subdivision to read:

Subd. 7. [SHIPPER'S GOOD FAITH EXCEPTION.] The penalty imposed by subdivision 1 shall not be imposed on a shipper who in good faith ships goods or tenders goods for shipment in a vehicle that does not exceed the maximum gross weight for which the truck is licensed under section 168.013, subdivision 1e.

For purposes of this section, "good faith" means that (1) the vehicle is licensed pursuant to section 168.013, subdivision 1e, (2) the operator of the vehicle is not under the control of the shipper, (3) the operator has requested that the vehicle be loaded to the maximum gross weight for which the vehicle is licensed, and (4) the road leading from the shipper's immediate place of shipment may be legally used for the allowed gross weight of the vehicle with its legally maximum load.

Sec. 13. Minnesota Statutes 1984, section 169.872, subdivision 1, is amended to read:

Subdivision 1. [RECORD KEEPING.] A person who weighs goods be-

fore or after unloading or a person who loads or unloads goods on the basis of liquid volume measure shall keep a written record of the origin, weight and composition of each shipment, the date of loading or receipt, the name and address of the shipper, the total number of axles on the vehicle or combination of vehicles, and the registration number of the power unit or some other means of identification by which the shipment was transported. The record shall be retained for 30 days and shall be open to inspection and copying by a state law enforcement officer or motor transport representative, except state conservation officers, upon demand. No search warrant is required to inspect or copy the record. This subdivision does not apply to a person weighing goods who is not involved in the shipping, receiving and transporting of those goods, *or to a person weighing raw and unfinished farm products transported in a single unit vehicle with not more than three axles or by a trailer towed by a farm tractor when the transportation is the first haul of the product.*

Sec. 14. Minnesota Statutes 1984, section 174A.06, is amended to read:

174A.06 [CONTINUATION OF RULES OF PUBLIC SERVICE COMMISSION, PUBLIC UTILITIES COMMISSION, AND DEPARTMENT OF TRANSPORTATION.]

Orders and directives heretofore in force, issued or promulgated by the public service commission, public utilities commission, or the department of transportation under authority of chapters 216A, 218, 219, and 221 remain and continue in force and effect until repealed, modified, or superseded by duly authorized orders or directives of the transportation regulation board. Rules adopted by the public service commission, public utilities commission or the department of transportation under authority of the following sections are transferred to the transportation regulation board and continue in force and effect until repealed, modified, or superseded by duly authorized rules of the transportation regulation board:

(1) section 218.041 except rules related to the form and manner of filing railroad rates, railroad accounting rules, and safety rules;

(2) section 219.40;

(3) rules relating to rates or tariffs, or the granting, limiting, or modifying of permits or certificates of convenience and necessity under section 221.031, subdivision 1;

(4) rules relating to the sale, assignment, pledge, or other transfer of a stock interest in a corporation holding authority to operate as a permit carrier as prescribed in section 221.151, subdivision 1, or a local cartage carrier under section 221.296, subdivision 8;

(5) rules relating to rates, charges, and practices under section 221.161, subdivision 4; and

(6) rules relating to rates, tariffs, or the granting, limiting, or modifying of permits *under sections 221.121, 221.151, and 221.296* or certificates of convenience and necessity *under section 221.296, subdivision 2 221.071.*

The board shall review the transferred rules, orders, and directives and, when appropriate, develop and adopt new rules, orders, or directives within 18 months of July 1, 1985.

Sec. 15. Minnesota Statutes 1984, section 221.011, subdivision 13, is amended to read:

Subd. 13. "Interstate carrier" means any person engaged in transporting property or passengers *for hire* in interstate commerce *in Minnesota*, from or into Minnesota, or between any point in the state of Minnesota and the Dominion of Canada.

Sec. 16. Minnesota Statutes 1984, section 221.011, subdivision 25, is amended to read:

Subd. 25. "Courier services carrier" means any person who offers expedited door-to-door transportation of packages and articles less than 100 pounds in weight in vehicles with a ~~manufacturer's nominal rating capacity~~ *registered gross vehicle weight and gross vehicle weight rating not exceeding one ton 15,000 pounds.*

Sec. 17. Minnesota Statutes 1984, section 221.025, is amended to read:

221.025 [EXEMPTIONS.]

Except as provided in sections 221.031 and 221.033, the provisions of this chapter do not apply to the transportation described below:

(a) the transportation of students to or from school or school activities in a school bus inspected and certified under section 169.451;

(b) the transportation of rubbish as defined in section 443.27;

(c) a commuter van as defined in section 221.011, subdivision 27;

(d) authorized emergency vehicles as defined in section 169.01, subdivision 5, including ambulances, and tow trucks when picking up and transporting disabled or wrecked motor vehicles and when carrying proper and legal warning devices;

(e) the transportation of grain samples under conditions prescribed by the board;

(f) the delivery of agricultural lime;

(g) the transportation of dirt and sod within an area having a 50-mile radius from the home post office of the person performing the transportation;

(h) a person while exclusively engaged in the transportation of sand, gravel, bituminous asphalt mix, concrete ready mix, concrete blocks or tile, or crushed rock to or from the point of loading or a place of gathering within an area having a 50-mile radius from that person's home post office or a 50-mile radius from the site of construction or maintenance of public roads and streets;

(i) the transportation of pulpwood, cordwood, mining timber, poles, posts, decorator evergreens, wood chips, sawdust, shavings, and bark from the place where the products are produced to the point where they are to be used or shipped;

(j) a person while engaged exclusively in transporting fresh vegetables from farms to canneries or viner stations, from viner stations to canneries, or from canneries to canneries during the harvesting, canning, or packing season, or transporting potatoes, sugar beets, wild rice, or rutabagas from the

field of production to the first place of delivery or unloading, including a processing plant, warehouse, or railroad siding;

(k) a person engaged in transporting property or freight, other than household goods and petroleum products in bulk, entirely within the corporate limits of a city or between contiguous cities except as provided in section 221.296;

(l) the transportation of unprocessed dairy products in bulk within an area having a 100-mile radius from the home post office of the person providing the transportation;

(m) a person engaged in transporting agricultural, horticultural, dairy, livestock, or other farm products within an area having a 25-mile radius from the person's home post office. The carrier may transport other commodities within the 25-mile radius if the destination of each haul is a farm. ~~The owner of a truck operating under this provision shall imprint the owner's name and address in prominent visible letters on the outside of the cab of the truck.~~

Sec. 18. Minnesota Statutes 1984, section 221.031, subdivision 2, is amended to read:

Subd. 2. [PRIVATE CARRIERS.] (a) Private carriers operating vehicles licensed and registered for a gross weight of more than 12,000 pounds, shall comply with rules adopted under this section applying to maximum hours of service of drivers, safe operation of vehicles, equipment, parts and accessories, leasing of vehicles or vehicles and drivers, and inspection, repair, and maintenance.

(b) In addition to the requirements in paragraph (a), private carriers operating vehicles licensed and registered for a gross weight in excess of 26,000 pounds shall comply with rules adopted under this section relating to driver qualifications.

(c) The requirements as to driver qualifications and maximum hours of service for drivers do not apply to private carriers who are (1) public utilities as defined in section 216B.02, subdivision 4; (2) cooperative electric associations organized under chapter 308; (3) telephone companies as defined in section 237.01, subdivision 2; or (4) who are engaged in the transportation of construction materials, tools and equipment from shop to job site or job site to job site, for use by the private carrier in the new construction, remodeling, or repair of buildings, structures or their appurtenances.

(d) The driver qualification rule ~~does~~ *and the hours of service rules* do not apply to vehicles controlled by a farmer and operated by a farmer or farm employee to transport agricultural products or farm machinery or supplies to or from a farm if the vehicle is not used in the operations of a motor carrier and not carrying hazardous materials of a type or quantity that requires the vehicle to be marked or placarded in accordance with section 221.033.

Sec. 19. Minnesota Statutes 1984, section 221.031, subdivision 6, is amended to read:

Subd. 6. [VEHICLE IDENTIFICATION RULE.] The following carriers shall comply with the vehicle identification rule of the commissioner:

(1) motor carriers, regardless of the weight of the vehicle;

(2) private carriers operating vehicles licensed and registered for a gross weight of 12,000 pounds or more; and

(3) vehicles providing transportation described in section 221.025 which are licensed and registered for a gross weight of 12,000 pounds or more except those providing transportation described in section 221.025, clauses (a), (c), and (d).

The vehicle identification rule of the commissioner may not be more stringent than the marking requirements imposed on private carriers by the United States department of transportation under Code of Federal Regulations, title 49, section 397.21, clauses (b) and (c).

Vehicles described in clauses (2) and (3) that are operated by farmers or farm employees and have four or fewer axles are not required to comply with the vehicle identification rule of the commissioner.

Sec. 20. Minnesota Statutes 1984, section 221.033, is amended to read:

221.033 [REGULATION OF HAZARDOUS MATERIALS.]

Subdivision 1. [REQUIREMENTS.] Except as provided in subdivisions 2 and 3, no person may transport or have transported or shipped within the state of Minnesota a hazardous material, hazardous substance, or hazardous waste except in compliance with United States Code, title 49, sections 1801 to 1811 and the provisions of Code of Federal Regulations, title 49, sections 171 to 199.

Subd. 2. [EXCEPTION.] Farmers or their employees transporting diesel fuel, gasoline, agricultural chemicals, or agricultural fertilizers for use on the transporter's farm are not required to comply with the driver qualification rules of the commissioner or with the shipping paper requirements of the Code of Federal Regulations, title 49, parts 172.200 and 177.817 or with part 397.7(B) or 397.9(A) of the Federal Motor Carrier Safety Regulations when:

(1) transporting diesel fuel or gasoline in motorized tank truck vehicles of less than 1,500 gallon capacity owned by the transporter, or in tanks securely mounted in other motor vehicles with a gross vehicle weight of less than 12,000 pounds and owned by the transporter; or

(2) transporting agricultural chemicals and agricultural fertilizers.

Subd. 3. [VARIANCE, RULES.] The commissioner shall adopt rules which provide a procedure for granting a variance from those regulations adopted under subdivision 1 which prescribe specifications for tank motor vehicles used to transport gasoline. The variance may be granted only to persons who transport gasoline in tank motor vehicles with a capacity of 3,000 gallons or less which were manufactured between 1950 and 1975 according to American society of mechanical engineers specifications in effect at the time of manufacture. The commissioner shall prescribe alternative requirements to assure the safety of the tank motor vehicles operated under the variance, and shall register each tank motor vehicle operated under the variance.

Sec. 21. Minnesota Statutes 1984, section 221.131, is amended by adding a subdivision to read:

Subd. 6. [COURIER SERVICE CARRIERS; IDENTIFICATION CARDS.] The commissioner shall issue distinct annual identification cab cards for vehicles that provide courier service under a permit issued by the board. A courier service identification cab card may not be issued for a vehicle that has a registered gross vehicle weight or gross vehicle weight rating in excess of 15,000 pounds.

Sec. 22. Minnesota Statutes 1984, section 221.161, subdivision 1, is amended to read:

Subdivision 1. [FILING; HEARING UPON BOARD INITIATIVE.] Every permit carrier, including a livestock carrier but not including a local cartage carrier, shall file and maintain with the commissioner a schedule of tariff showing rates and charges for the transportation of persons or property. The filing with and acceptance by the commissioner of these tariffs, in accordance with the rules relating to the schedules tariffs, constitutes notice to the public and interested parties of the contents of the tariffs. Schedules Tariffs must be prepared and filed in accordance with the rules and regulations of the commissioner. The commissioner shall not accept for filing schedules tariffs which are unjust and unreasonable or unjustly discriminatory or unduly preferential or prejudicial or otherwise in violation of the provisions of this section. If the schedules tariffs appear to be unjust or unreasonable or unjustly discriminatory or unduly preferential or prejudicial or otherwise in violation of this section, the board after notification and investigation by the department may suspend and postpone the effective date of the schedules tariffs and assign the schedules tariffs for hearing upon notice to the permit carrier filing the proposed schedules tariffs and to other interested parties, including users of the service and competitive carriers by motor vehicle and rail. At the hearing, the burden of proof is on the permit carrier filing the proposed schedule of rates and charges tariff to sustain the validity of the proposed schedule of rates and charges. Schedules of rates and charges Tariffs for the transportation of livestock are not subject to rejection, suspension, or postponement by the board, except as provided in subdivisions 2 and 3. The tariffs and subsequent supplements to them or reissues of them must state the effective date, which may not be less than ten days following the date of filing, unless the period of time is reduced by special permission of the board commissioner.

Sec. 23. Minnesota Statutes 1984, section 221.185, subdivision 4, is amended to read:

Subd. 4. [FAILURE TO COMPLY.] Except as provided in subdivision 5a, failure to comply with the requirements of sections 221.141 and 221.296 relating to bonds and insurance, 221.131 relating to permit renewal, 221.071, 221.131, or 221.296 relating to annual vehicle registration or permit renewal, or to request a hearing within 45 days of the date of suspension, is deemed an abandonment of the motor carrier's permit or certificate and the permit or certificate must be canceled by the commissioner.

Sec. 24. Minnesota Statutes 1984, section 221.185, is amended by adding a subdivision to read:

Subd. 5a. [REINSTATEMENT AFTER CANCELLATION.] A motor carrier whose permit or certificate is canceled for failure to comply with sections 221.141 and 221.296 relating to bonds and insurance may ask the

board to review the cancellation. Upon review, the board shall rescind the cancellation if: (1) the motor carrier presents evidence showing that before the effective date of the notice of cancellation issued under section 221.185, subdivision 5, the motor carrier had obtained and paid for the insurance required by sections 221.141 and 221.296, and the rules of the commissioner, and (2) the commissioner informs the board that the motor carrier has complied with the requirements of sections 221.141 and 221.296 and the rules of the commissioner.

Sec. 25. Minnesota Statutes 1984, section 221.231, is amended to read:

221.231 [RECIPROCAL AGREEMENTS.]

The commissioner may enter into reciprocal agreements with the regulatory bodies of other states and the provinces of the Dominion of Canada, whereby the payment of the vehicle fee fees provided in section 221.134 hereof 27 may be waived in whole or in part as to residents of or corporations or partnerships for motor carriers having an established place of business in the that state or province, entering into the reciprocal agreement with the commissioner, provided that reciprocal privileges are extended under such the agreement to residents motor carriers of this state and to corporations or partnerships who have an established place of business in this state.

Sec. 26. Minnesota Statutes 1984, section 221.291, subdivision 1, is amended to read:

Subdivision 1. [VIOLATION.] Except as provided in subdivisions 3 and 4, a person who commits, procures, aids or abets or conspires to commit, or attempts to commit, aid or abet in the violation of a provision of this chapter or a valid order or rule of the commissioner or board issued hereunder, whether individually or in connection with one or other more persons or as principal, agent, or accessory, shall be guilty of a misdemeanor, and every person who falsely, fraudulently, forcibly, or willfully induces, causes, coerces, requires, permits, or directs another to violate a provision of this chapter, is likewise guilty of a misdemeanor. Every distinct violation is a separate offense.

Sec. 27. [221.60] [REGISTRATION OF INTERSTATE CARRIERS.]

Subdivision 1. [PROCEDURE.] A motor carrier may transport persons or property for hire in interstate commerce in Minnesota only if it first:

(1) complies with section 221.141;

(2) either registers with the commissioner the Interstate Commerce Commission operating authority that it intends to exercise, or registers and describes the transportation it performs under an exemption contained in the Interstate Commerce Act, United States Code, title 49; and

(3) purchases an interstate identification stamp or an interstate registration trip permit for each vehicle to be used in interstate transportation in Minnesota.

Subd. 2. [FORM AND FEES.] A motor carrier engaged in interstate commerce shall register its interstate transportation authority or exemption before February 1 of each year on a form prescribed by the commissioner. The fee for the initial registration is \$25. The fee for each identification

stamp is \$5; however, a lesser fee may be collected pursuant to a reciprocal agreement authorized by section 28. No fee may be collected from a local cartage carrier that provides interstate transportation only within the zone described in United States Code, title 49, section 10526(b)(1)(1984). A local cartage carrier shall register its interstate transportation each year when it pays the local cartage carrier permit or annual renewal fee.

Subd. 3. [FAILURE TO REGISTER.] Failure to register for three consecutive years cancels the carrier's registration. The commissioner must give 30 days notice of the cancellation to the carrier at the carrier's last known address.

Subd. 4. [CAB CARD.] A carrier required to register under this section shall obtain the National Association of Regulatory Utility Commissioners cab card described in Code of Federal Regulations, title 49, section 1023.36, and affix the stamp to the cab card. A cab card bearing a current Minnesota interstate identification stamp must be carried in the cab of a vehicle operated for hire in interstate commerce in Minnesota.

Subd. 5. [TEMPORARY INTERSTATE REGISTRATION.] An interstate registration trip permit valid for ten days from the date of issue may be issued to a motor carrier engaged in interstate commerce that:

(1) complies with section 221.141;

(2) either registers its interstate operating authority or registers and describes the transportation it performs under an exemption contained in the Interstate Commerce Act, United States Code, title 49; and

(3) pays a state fee of \$5 for each permit.

Subd. 6. [TRANSFER OF AUTHORIZATION DOCUMENT.] A motor carrier engaged in interstate commerce may not transfer or sell or allow another carrier to use its interstate identification stamp, its interstate registration trip permit, or its cab card. However, a cab card and identification stamp may be transferred to a leased vehicle operated under the authority of the motor carrier to whom the cab card and identification stamp were issued.

Sec. 28. Minnesota Statutes 1984, section 221.65, is amended to read:

221.65 [RECIPROCAL AGREEMENTS.]

Nothing in ~~sections 221.61 to 221.68~~ this chapter shall be construed to impair the authority of the commissioner to enter into reciprocal agreements with the regulatory bodies of other states and the provinces of the Dominion of Canada, as provided in section 221.231.

For the purposes of section 221.231, the commissioner shall be deemed to be the successor of the department of public service. The commissioner may exercise any power, duty or function heretofore conferred by law or agreement upon the department of public service to the extent necessary to preserve any reciprocal agreement heretofore concluded under the provisions of section 221.231. Nothing in this section shall be construed to prevent the negotiation of new or replacement agreements as conditions and circumstances may warrant.

Sec. 29. Minnesota Statutes 1984, section 221.67, is amended to read:

221.67 [SERVICE OF PROCESS.]

The use of any of the public highways of this state for the transportation of persons or property for compensation by a motor carrier in interstate commerce shall be deemed an irrevocable appointment by the carrier of the secretary of state to be his true and lawful attorney upon whom may be served all legal process in any action or proceeding brought under ~~section 221.66~~ *this chapter* against him or his executor, administrator, personal representative, heirs, successors or assigns. This use is a signification of agreement by the interstate motor carrier that any process in any action against him or his executor, administrator, personal representative, heirs, successors, or assigns which is so served shall be of the same legal force and validity as if served upon him personally. Service shall be made by serving a copy thereof upon the secretary of state or by filing a copy in his office, together with payment of a fee of \$15, and the service shall be sufficient service upon the absent motor carrier if notice of the service and a copy of the process are within ten days thereafter sent by mail by the plaintiff to the defendant at his last known address and the plaintiff's affidavit of compliance with the provisions of *this section* and sections ~~221.64 to 27~~, 221.65, and 221.68 is attached to the summons.

Sec. 30. Minnesota Statutes 1984, section 221.68, is amended to read:

221.68 [VIOLATIONS; PENALTIES.]

Any person who violates or procures, aids, or abets violation of, or fails to comply with, the provisions of sections ~~221.64 to 221.68~~ 27 to 29 or any valid order or rule of the commissioner or board issued hereunder shall be guilty of a misdemeanor; and, additionally, shall be subject to a penalty of \$50 for each and every day of such failure to so comply, to be recovered for the state in a civil action. Each distinct violation shall be a separate offense.

Sec. 31. Minnesota Statutes 1984, section 221.81, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the terms used in this section have the meanings given them in this subdivision.

(a) "Building mover" means a person, corporation, or other entity who raises, supports off the foundation, and moves buildings on and over public streets and highways. Building mover does not include a person who moves manufactured homes *or modular homes*, farmers moving their own farm buildings, or persons moving buildings which are less than 16 feet wide by 20 feet long.

(b) "Political subdivision" means a city, town, or county.

(c) "Road authority" has the meaning given it in section 160.02, subdivision 9.

Sec. 32. Minnesota Statutes 1984, section 505.18, is amended to read:

505.18 [MINNESOTA COORDINATE SYSTEM.]

The system of plane coordinates which has been established by the *National Ocean Survey/National Geodetic Survey, formerly the United States Coast and Geodetic Survey or its successors*, for defining and stating the *geographic* positions or locations of points on the surface of the earth within the state of Minnesota is hereafter to be known and designated as the "Min-

nesota Coordinate System of 1927 and the Minnesota Coordinate System of 1983."

For the purpose of the use of this system the state is divided into a "North Zone," a "Central Zone," and a "South Zone."

The area now included in the following counties shall constitute the North Zone: Beltrami, Clearwater, Cook, Itasca, Kittson, Koochiching, Lake, Lake of the Woods, Mahnomen, Marshall, Norman, Pennington, Polk, Red Lake, Roseau, and Saint Louis.

The area now included in the following counties shall constitute the Central Zone: Aitkin, Becker, Benton, Carlton, Cass, Chisago, Clay, Crow Wing, Douglas, Grant, Hubbard, Isanti, Kanabec, Mille Lacs, Morrison, Otter Tail, Pine, Pope, Stearns, Stevens, Todd, Traverse, Wadena, and Wilkin.

The area now included in the following counties shall constitute the South Zone: Anoka, Big Stone, Blue Earth, Brown, Carver, Chippewa, Cottonwood, Dakota, Dodge, Faribault, Fillmore, Freeborn, Goodhue, Hennepin, Houston, Jackson, Kandiyohi, Lac qui Parle, Le Sueur, Lincoln, Lyon, McLeod, Martin, Meeker, Mower, Murray, Nicollet, Nobles, Olmsted, Pipestone, Ramsey, Redwood, Renville, Rice, Rock, Scott, Sherburne, Sibley, Steele, Swift, Wabasha, Waseca, Washington, Watonwan, Winona, Wright, and Yellow Medicine.

Sec. 33. Minnesota Statutes 1984, section 505.19, is amended to read:

505.19 [ZONES; LAND DESCRIPTIONS.]

As established for use in the North Zone, the Minnesota Coordinate System of 1927 or the Minnesota Coordinate System of 1983 shall be named, and in any land description in which it is used it shall be designated, the "Minnesota Coordinate System of 1927, North Zone or the Minnesota Coordinate System of 1983, North Zone."

As established for use in the Central Zone, the Minnesota Coordinate System of 1927 or the Minnesota Coordinate System of 1983 shall be named, and in any land description in which it is used it shall be designated, the "Minnesota Coordinate System of 1927, Central Zone or the Minnesota Coordinate System of 1983, Central Zone."

As established for use in the South Zone, the Minnesota Coordinate System of 1927 or the Minnesota Coordinate System of 1983 shall be named, and in any land description in which it is used it shall be designated, the "Minnesota Coordinate System of 1927, South Zone or the Minnesota Coordinate System of 1983, South Zone."

Sec. 34. Minnesota Statutes 1984, section 505.20, is amended to read:

505.20 [X- AND Y-COORDINATES.]

The plane ~~coordinates~~ of coordinate values for a point on the earth's surface, to be used in ~~expressing~~ to express the geographic position or location of such point in the appropriate zone of this system, shall consist of two distances, expressed in U.S. Survey feet and decimals of a foot when using the Minnesota Coordinate System of 1927 and expressed in meters and decimals of a meter when using the Minnesota Coordinate System of 1983. One

of these distances, to be known as the "x-coordinate," shall give the position in an east-and-west direction; the other, to be known as the "y-coordinate," shall give the position in a north-and-south direction. These coordinates shall be made to depend upon and conform to the coordinates, on the Minnesota Coordinate System, of the triangulation and traverse stations of the United States Coast and Geodetic Survey within the state of Minnesota, as those coordinates have been determined by the said Survey plane rectangular coordinate values for the monumented horizontal control stations of the North American Horizontal Geodetic Control Network as published by the National Ocean Survey/National Geodetic Survey (NOS/NGS) or its successors and whose plane coordinates have been computed on the systems defined in this chapter. The station may be used for establishing a survey connection to either Minnesota Coordinate System, 1927 or 1983.

Sec. 35. Minnesota Statutes 1984, section 505.22, is amended to read:

505.22 [DEFINITION OF MINNESOTA COORDINATE SYSTEM SYSTEMS DEFINED.]

(a) For purposes of more precisely defining the Minnesota Coordinate System of 1927, the following definition by the United States Coast and National Ocean Survey/National Geodetic Survey is adopted:

The Minnesota Coordinate System of 1927, North Zone, is a Lambert conformal *conic* projection of the Clarke spheroid of 1866, having standard parallels at north latitudes 47 degrees 02 minutes and 48 degrees 38 minutes, along which parallels the scale shall be exact. The origin of coordinates is at the intersection of the meridian 93 degrees 06 minutes west of Greenwich and the parallel 46 degrees 30 minutes north latitude. This origin is given the coordinates: x equals 2,000,000 feet and y equals 0 feet.

The Minnesota Coordinate System of 1927, Central Zone, is a Lambert conformal *conic* projection of the Clarke spheroid of 1866, having standard parallels at north latitudes 45 degrees 37 minutes and 47 degrees 03 minutes, along which parallels the scale shall be exact. The origin of coordinates is at the intersection of the meridian 94 degrees 15 minutes west of Greenwich and the parallel 45 degrees 00 minutes north latitude. This origin is given the coordinates: x equals 2,000,000 feet and y equals 0 feet.

The Minnesota Coordinate System of 1927, South Zone, is a Lambert conformal *conic* projection of the Clarke spheroid of 1866, having standard parallels at north latitudes 43 degrees 47 minutes and 45 degrees 13 minutes, along which parallels the scale shall be exact. The origin of coordinates is at the intersection of the meridian 94 degrees 00 minutes west of Greenwich with the parallel 43 degrees 00 minutes north latitude, such origin being given the coordinates: x equals 2,000,000 feet and y equals 0 feet.

(b) The position of the Minnesota Coordinate System shall be as marked on the ground by triangulation or traverse stations established in conformity with standards adopted by the United States Coast and Geodetic Survey for first order and second order work, whose geodetic positions have been rigidly adjusted on the North American datum of 1927, and whose coordinates have been computed on the system herein defined. Any such station may be used for establishing a survey connection with the Minnesota Coordinate System For purposes of more precisely defining the Minnesota Coordinate

System of 1983, the following definition by the National Ocean Survey/National Geodetic Survey is adopted:

The Minnesota Coordinate System of 1983, North Zone, is a Lambert conformal conic projection of the North American Geocentric Datum of 1983, having standard parallels at north latitudes 47 degrees 02 minutes and 48 degrees 38 minutes, along which parallels the scale shall be exact. The origin of coordinates is at the intersection of the meridian 93 degrees 06 minutes west of Greenwich with the parallel 46 degrees 30 minutes north latitude. This origin is given the coordinates: x equals 800,000 meters and y equals 100,000 meters.

The Minnesota Coordinate System of 1983, Central Zone, is a Lambert conformal conic projection of the North American Geocentric Datum of 1983, having standard parallels at north latitudes 45 degrees 37 minutes and 47 degrees 03 minutes, along which parallels the scale shall be exact. The origin of coordinates is at the intersection of the meridian 94 degrees 15 minutes west of Greenwich with the parallel 45 degrees 00 minutes north latitude. This origin is given the coordinates: x equals 800,000 meters and y equals 100,000 meters.

The Minnesota Coordinate System of 1983, South Zone, is a Lambert conformal conic projection of the North American Geocentric Datum of 1983, having standard parallels at North latitudes 43 degrees 47 minutes and 45 degrees 13 minutes, along which parallels the scale shall be exact. The origin of coordinates is at the intersection of the meridian 94 degrees 00 minutes west of Greenwich with the parallel 43 degrees 00 minutes north latitude. This origin is given the coordinates: x equals 800,000 meters and y equals 100,000 meters.

Sec. 36. Minnesota Statutes 1984, section 505.23, is amended to read:

505.23 [WHERE COORDINATES RECORDED.]

No coordinates based on the Minnesota Coordinate System, purporting to define the position of a point on a land boundary, shall be presented to be recorded in any public land records or deed records unless such point is within one-half mile of a ~~triangulation or traverse~~ horizontal control station established in conformity with the standards prescribed in section ~~505.25~~ 505.20; provided that said one-half mile limitation may be modified by a duly authorized state agency to meet local conditions.

Sec. 37. Minnesota Statutes 1984, section 505.24, is amended to read:

505.24 [LIMITATION OF USE.]

The use of the term "Minnesota Coordinate System of 1927, North, Central, or South Zone or Minnesota Coordinate System of 1983, North, Central, or South Zone" on any map, report of survey, or other document, shall be limited to coordinates based on the Minnesota Coordinate System as defined in this chapter.

Sec. 38. [505.28] [LAST USE OF 1927 COORDINATE SYSTEM.]

The Minnesota Coordinate System of 1927 must not be used after December 31, 1992. The Minnesota Coordinate System of 1983 is the sole coordinate system that may be used after that date.

Sec. 39. Laws 1979, chapter 280, section 2, as amended by Laws 1982, chapter 617, section 25, is amended to read:

Sec. 2. [APPROPRIATION.] Subdivision 1. \$52,000,000, or so much thereof as is determined to be needed, is appropriated from the Minnesota state transportation fund to the department of transportation to be expended for disbursement in the form of grants by the commissioner of transportation for construction and reconstruction of key bridges on the state transportation system and shall be allocated pursuant to subdivisions 2 and 3. The appropriation shall not lapse, but shall remain available until expended.

Subd. 2. \$50,000,000 or so much thereof as is needed, is available for expenditure at a rate not exceeding \$12,500,000 per fiscal year for grants to political subdivisions for construction and reconstruction of key bridges on highways, streets and roads under their jurisdiction. The grants shall not exceed the following aggregate amounts:

(1) To counties _____ ~~\$8,500,000~~ \$11,500,000

(2) To home rule charter and statutory cities _____ ~~\$1,000,000~~
\$1,500,000

(3) To towns _____ \$21,000,000

Additional grants may be made in an aggregate amount not to exceed ~~\$19,500,000~~ \$16,500,000 to the political subdivisions to match federal-aid grants for construction and reconstruction of key bridges under their jurisdiction. Appropriations made in subdivisions 1, 2, or 3 may also be used for the following purposes:

(1) The costs of abandoning an existing bridge that is deficient and is in need of replacement, but where no replacement will be made.

(2) The costs of constructing a road or street that would facilitate the abandonment of an existing bridge determined to be deficient. The construction of the road or street must be judged to be more cost efficient than the reconstruction or replacement of the existing bridge.

Subd. 3. An additional amount not to exceed ~~\$2,000,000~~ \$1,500,000 is available for grants for preliminary engineering and environmental studies pursuant to section 3.

Sec. 40. [SPECIAL PERMIT.]

Subdivision 1. [PERMIT TO BE ISSUED.] Notwithstanding any law to the contrary the commissioner of transportation shall issue one special permit authorizing the operation for testing purposes of a three vehicle combination consisting of a motor vehicle, a "motorized hitch" and a trailer. The permit is valid for one year from the date of issuance. The annual fee for the permit is \$30. The permit is subject to all applicable provisions of Minnesota Statutes 1984, section 169.86, except as otherwise provided in this subdivision. The holder of the permit is responsible for all liability for personal injury, property damage or time lost, which may occur as a result of the operation of the combination for which the permit is issued, and must, if a claim is made against the state or a department, division officer or employee thereof arising from such operation, defend, indemnify and hold them harmless.

Subd. 2. [REPEALER.] This section is repealed July 31, 1986.

Sec. 41. [161.1231] [PARKING FACILITIES FOR I-394.]

Subdivision 1. [AUTHORITY TO CONSTRUCT.] Notwithstanding section 161.123 or any other law, the commissioner may acquire land by purchase, gift, or eminent domain for parking facilities described in this section and may construct, operate, repair, and maintain parking facilities primarily to serve vehicles traveling the route in the interstate highway system described in section 161.123, clause (2), also known as I-394. Other vehicles may use the parking facilities when space is available.

Subd. 2. [RULES AND PROCEDURES.] The commissioner shall adopt rules and establish procedures for the operation and use of the parking facilities. The rules are exempt from the requirements of chapter 14. A copy of the rules that regulate use of the facilities by drivers must be posted in each parking facility. The rules must:

(1) establish incentives, which must include preferential parking locations, to encourage drivers of vehicles that travel I-394 and that are occupied by two or more persons to use the facilities;

(2) define peak travel hours and provide that during peak travel hours single-occupant vehicles be charged a surcharge to bring the parking fee for those vehicles to approximately the same level as parking fees charged in the private parking ramps located in Minneapolis;

(3) provide preferential parking locations for vehicles licensed and operated under section 168.021;

(4) establish application, permit, and use requirements; and

(5) provide for removal and impoundment of vehicles and assessment of a service fee on vehicles parked in violation of this section and the rules adopted under it.

Subd. 3. [FEDERAL AID.] The commissioner may cooperate with the federal government or any agency of the federal government and may comply with the law of the United States and regulations adopted under those laws so that federal money available for construction of parking ramps described in the Surface Transportation Assistance Act of 1982, section 127, may be obtained.

Subd. 4. [AGREEMENTS; LEASES.] (a) The commissioner may make agreements with or may lease the parking facilities to the city of Minneapolis or to a private party. The agreement or lease may allow the city of Minneapolis or private party to operate the facilities according to the commissioner's rules and procedures and to collect the fees established by the commissioner. The commissioner shall require a private operator to obtain liability insurance in an amount prescribed by the commissioner to insure the operator and the state against all claims occurring because of the existence of the agreement or lease. The agreement may provide for reasonable compensation.

(b) The commissioner may negotiate the agreement or lease without requiring competitive bids. The terms of an agreement or lease must be approved by the federal agency that grants money for the construction of the

facilities.

Subd. 5. [FEES.] The commissioner shall establish and collect fees for use of the parking facilities. The fees must be established and adjusted in compliance with United States Code, title 23, section 137, and are not subject to Minnesota Statutes, chapter 14, including section 14.38, subdivisions 5 to 9, or section 16A.128.

Subd. 6. [ENFORCEMENT.] This section must be enforced in the same manner as parking ordinances or laws are enforced in Minneapolis. The commissioner may revoke the permit or refuse to issue a permit to a person who repeatedly violates subdivision 7 or the rules of the commissioner.

Subd. 7. [PROHIBITION.] A person may not park a motor vehicle in a parking facility described in subdivision 1 except in compliance with subdivision 5 and the rules of the commissioner adopted under subdivision 2. Violation of this subdivision is a misdemeanor.

Subd. 8. [SPECIAL ACCOUNT.] Fees collected by the commissioner under this section must be deposited in the state treasury and credited to a special account. Money in the account is appropriated to the commissioner to operate, repair, and maintain the parking facilities and the high occupancy vehicle lanes on I-394.

Subd. 9. [LOAN BY MINNEAPOLIS.] Notwithstanding the provisions of any statute or home rule charter to the contrary, the city of Minneapolis may incur indebtedness and may issue and sell bonds and other obligations pledging the full faith and credit of the city to its payment for the purpose of loaning and may loan money to the commissioner for deposit in the state treasury to the credit of the trunk highway fund in an amount sufficient for the construction of parking facilities described in subdivision 1 without submitting the question of the issuance of the bonds to the electors. Except as provided in this subdivision, the bonds shall be issued and sold according to the provisions of chapter 475. When funds are received by the state from federal aid allotted to the construction of the parking facilities described in subdivision 1, the commissioner must pay those funds to the city from the trunk highway fund together with any interest or inflation adjustment thereon which is included in the federal aid.

Subd. 10. [LOCAL APPROVAL.] Subdivisions 1 to 8 are effective the day following final enactment. Subdivision 9 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Minneapolis.

Sec. 42. [STUDY.]

The transportation committees of the senate and of the house of representatives, the subcommittee on agriculture, transportation and semi-state agencies of the senate finance committee and the division on agriculture, transportation and semi-state agencies of the house of representatives appropriations committee, shall jointly study:

(1) appropriate sizes and weights of vehicles and combinations on streets and highways in the state;

(2) the economic effects of current and proposed limits on sizes and weights; and

(3) the expenditure and revenue implications of current and proposed limits on sizes and weights.

The study shall utilize existing staff of the committees conducting the study. The committees shall jointly report to the legislature on the results of the study by January 15, 1986.

Sec. 43. [REPEALER.]

Minnesota Statutes 1984, sections 221.296, subdivision 2; 221.61; 221.62; 221.63; 221.64; and 221.66, are repealed. Section 7 is repealed January 1, 1988.

Sec. 44. [EFFECTIVE DATE.]

Sections 1, 2, 8, 9, 12, 13, 14, 17, 18, 19, 20, 23, 24, 25, 26, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, and 42 are effective the day following final enactment. Section 3 is effective June 1, 1985. Section 4 is effective January 1, 1988. Sections 5, 6, and 7 are effective January 1, 1986."

Delete the title and insert:

"A bill for an act relating to transportation; removing the 24-foot restriction on county state-aid money needs; changing the definition of urban and rural counties; providing for apportionments in calendar years 1986 and 1987; establishing conflict of interest requirements for court-appointed commissioners in condemnation; providing for relocation and disposal of historically significant buildings or structures; denying certain contracts to persons convicted of contract crimes; modifying penalties for certain seasonal weight violations; providing for priority list of market artery highways which need upgrading; permitting certain wide loads; establishing good faith exception to excessive gross weight penalties for shippers; providing certain exemptions from weight record requirements; establishing gross vehicle weight limits for courier service vehicles; providing that hours of service rules do not apply to farm vehicles; exempting certain farm vehicles from the vehicle identification rule; exempting certain persons from certain hazardous material rules and allowing variances; providing for rescission of canceled permits if a carrier has insurance coverage; excluding modular home movers from regulation as building movers; creating a new state-surveying coordinate system; providing for a special permit to test certain three-vehicle combinations until July 31, 1986; allowing and prescribing certain parking facilities for interstate highway I-394; removing and modifying certain restrictions on the expenditure of proceeds from state transportation bonds; directing the commissioner of transportation to issue a special permit for a certain combination of vehicles; requiring joint legislative study; prescribing a fee; prescribing a penalty; amending Minnesota Statutes 1984, sections 117.075; 161.20, subdivision 2; 162.07, subdivisions 2, 3, and 4; 168.013, subdivisions 1e and 3; 169.833; 169.862; 169.871, by adding a subdivision; 169.872, subdivision 1; 174A.06; 221.011, subdivisions 13 and 25; 221.025; 221.031, subdivisions 2 and 6; 221.033; 221.131, by adding a subdivision; 221.161, subdivision 1; 221.185, subdivision 4, and by adding a subdivision; 221.231; 221.291, subdivision 1; 221.65; 221.67; 221.68; 221.81, subdivision 1; 505.18; 505.19; 505.20; 505.22; 505.23; 505.24; Laws 1979, chapter 280, section 2, as amended; proposing coding for new law in Minnesota Statutes, chapters

161, 162, 221, and 505; repealing Minnesota Statutes 1984, sections 221.296, subdivision 2; 221.61; 221.62; 221.63; 221.64; and 221.66."

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

Senate Conferees: (Signed) Keith Langseth, Clarence M. Purfeerst, Gary M. DeCramer, Robert J. Schmitz, Lyle G. Mehrkens

House Conferees: (Signed) Virgil J. Johnson, Douglas W. Carlson, Tony L. Bennett, Terry M. Dempsey, Bernard L. Lieder

Mr. Langseth moved that the foregoing recommendations and Conference Committee Report on S.F. No. 43 be now adopted, and that the bill be re-passed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

Mr. Langseth moved tha S.F. No. 43 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 676 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 676

A bill for an act relating to towns; authorizing the conduct of town business at places located outside the town; amending Minnesota Statutes 1984, sections 365.51 and 365.52; proposing coding for new law in Minnesota Statutes, chapter 365.

May 20, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 676, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 676 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 204B.16, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY; LOCATION.] The governing body of each municipality and of each county with precincts in unorganized territory shall designate by ordinance or resolution a polling place for each election precinct. The polling place for a precinct in a municipality shall be located within the boundaries of the precinct or within 1500 feet of one of those boundaries unless a single polling place is designated for a city pursuant to subdivision 2. The polling place for a precinct may be located up to 3,000 feet outside one of the boundaries of the precinct if necessary to locate a polling place that is accessible to and usable by elderly and handicapped individuals as required in subdivision 5. The polling place for a precinct in

unorganized territory may be located outside the precinct at a place which is convenient to the voters of the precinct. *If no suitable place is available within the town, then the polling place for a town may be located outside the town within five miles of one of the boundaries of the town.*

Sec. 2. Minnesota Statutes 1984, section 365.51, is amended to read:

365.51 [ANNUAL TOWN MEETING; PRECINCTS; POLLING PLACES.]

There shall be an annual town meeting held in each town on the second Tuesday of March at the place designated by the annual town meeting, and if no designation is so made then at the place designated by the town board. *The place designated may be located outside the town within five miles of one boundary of the town.* In the event of inclement weather the meeting shall be held on another March day designated by the board. The clerk shall give ten days' published notice specifying time and place in a qualified newspaper having general circulation within the town, or by posted notice, as the town board shall direct unless the voters at the annual town meeting direct otherwise. All town officers required by law to be elected shall be chosen thereat, and other business done as is by law required or permitted. The town board may, with respect to an election by ballot at the annual town meeting for the purpose of selecting town officers or of determining any matter of town business, provide for the casting of ballots in precincts and at polling places. Precincts and polling places shall be designated by the town board in the manner prescribed by sections 204B.14 and 204B.16.

Sec. 3. [TOWN LIQUOR LICENSES.]

Notwithstanding any other law, a town described in section 368.01, subdivision 1a, which erroneously issued an off-sale liquor license pursuant to section 340.11, subdivision 10b, prior to January 1, 1985, may continue to renew the license thus issued and the license shall remain in effect for so long as renewed.

Sec. 4. [OFF-SALE LICENSE.]

Notwithstanding any law to the contrary, the town board of the town of Cannon Falls in Goodhue county may issue an off-sale license to an establishment located within the town, with the approval of the county board and the commissioner of public safety. The license fee shall be fixed by the town board in an amount not to exceed \$500. A license issued pursuant to this section shall be governed by the appropriate provisions of Minnesota Statutes, chapter 340, except as otherwise provided by this section.

Sec. 5. [PINE COUNTY OFF-SALE LICENSE.]

Notwithstanding any law to the contrary, the Pine county board may issue one off-sale liquor license to a premises located within the town of Finlayson, provided that the establishment is not located within three miles of a home rule charter or statutory city with a municipal liquor store and with the approval of the commissioner of public safety. The fee for the license shall be fixed by the county board in an amount not to exceed \$500 per year. A license issued under this section shall otherwise be governed by Minnesota Statutes, chapter 340.

Sec. 6. [KANABEC COUNTY OFF-SALE LICENSE.]

Notwithstanding any law to the contrary, the Kanabec county board may issue one off-sale liquor license to a premises located within the town of Haybrook, provided that the establishment is not located within three miles of a municipality with a municipal liquor store and with the approval of the commissioner of public safety. The fee for the license shall be fixed by the county board in an amount not to exceed \$500 per year. A license issued under this section shall otherwise be governed by Minnesota Statutes, chapter 340.

Sec. 7. [DEFINITIONS.]

Subdivision 1. For the purpose of sections 7 to 17, the terms defined in this section have the following meanings.

Subd. 2. "City" means the city of Mora.

Subd. 3. "Special services" means all services rendered or contracted for by the city, including, but not limited to:

(a) the repair, maintenance, operation, and construction of any improvements authorized by Minnesota Statutes, section 429.021;

(b) parking services rendered or contracted for by the city; and

(c) any other service provided to the public by the city that is authorized by law or charter provision.

Special services do not include any service that is ordinarily provided throughout the city from general fund revenues of the city unless an increased level of the service is provided in the special service district.

Subd. 4. "Special service district" means a defined area within the city where special services are rendered and the costs of the special services are paid from revenues collected from taxes and service charges imposed within that area.

Subd. 5. "Assessed value" means the assessed value as most recently certified by the commissioner of revenue before the effective date of the ordinance or resolution adopted pursuant to section 8 or 9.

Subd. 6. "Land area" means the land area in the district which is subject to property taxation.

Sec. 8. [ESTABLISHMENT OF SPECIAL SERVICE DISTRICT.]

Subdivision 1. [ORDINANCE.] The governing body of the city may adopt an ordinance establishing a special service district. Only property which is zoned for commercial, business, or industrial use under a municipal zoning ordinance may be included in a district. The ordinance shall describe with particularity the area within the city to be included in the district and the special services to be furnished in the district. The ordinance may not be adopted until after a public hearing has been held on the question. Notice of the hearing shall include:

(a) the time and place of hearing;

(b) a map showing the boundaries of the proposed district; and

(c) a statement that all persons owning property in the proposed district will be given opportunity to be heard at the hearing.

Subd. 2. [NOTICE.] Notice of the hearing shall be given by publication in two issues of the official newspaper of the city. The two publications shall be a week apart and the hearing shall be held at least three days after the last publication. Not less than ten days before the hearing, notice shall also be mailed to the owner of each parcel within the area proposed to be included in the district. For the purpose of giving mailed notice, owners shall be those shown on the records of the county auditor. Other records may be used to supply the necessary information. For properties which are tax exempt or subject to taxation on a gross earnings basis in lieu of property tax and are not listed on the records of the county auditor, the owners shall be ascertained by any practicable means and mailed notice given them. At the public hearing any person affected by the proposed district may be heard orally in respect to any issues relevant to the proposed district. The hearing may be adjourned from time to time and the ordinance establishing the district may be adopted at any time within six months after the date of the conclusion of the hearing by a vote of the majority of the governing body of the city.

Sec. 9. [TAXING AUTHORITY; NOTICE AND HEARING REQUIREMENTS.]

Subdivision 1. [TAXES; HEARING.] Ad valorem taxes may be levied on taxable nonhomestead property or service charges may be imposed by the city within the special service district at a rate or amount sufficient to produce the revenues required to provide special services within the district. To determine the appropriate mill rate, nonhomestead taxable property or value shall be determined without regard to captured or original assessed value under Minnesota Statutes, section 273.76 or to the distribution or contribution value under Minnesota Statutes, section 473F.08. Taxes and service charges shall not be imposed to finance a special service if the service is ordinarily provided by the city from its general fund revenues unless the service is provided in the district at an increased level, in which case only an amount to pay for the increased level may be imposed. A service charge shall not be imposed on the receipts from the sale of intoxicating liquor, food, or lodging. Before the levy of taxes or imposition of service charges in a district, for each calendar year, notice shall be given and hearing shall be held pursuant to section 8 and notice shall also be mailed to any individual or business organization subject to a service charge. For purposes of this section the notice shall also include:

(a) A statement that all interested persons will be given an opportunity to be heard at the hearing regarding a proposed tax levy or service charge.

(b) The estimated cost of improvements to be paid for in whole or in part by taxes or service charges imposed pursuant to this section, the estimated cost of operating and maintaining the improvements during the first year after completion of the improvements, the proposed method and source of financing the improvements, and the annual cost of operating and maintaining the improvements.

(c) The proposed rate or amount of taxes to be extended or the proposed service charge to be imposed in the district during the calendar year and the nature and character of special services to be rendered in the district during the calendar year.

(d) A statement that the petition requirements of section 14 have either

been met or do not apply to the proposed taxes or service charge.

Within six months of the public hearing, the city may adopt a resolution levying a tax or imposing a service charge within the district not exceeding the amount or rate expressed in the notice issued pursuant to this section.

Subd. 2. [EXEMPTION OF CERTAIN PROPERTIES FROM TAXES.] *Property exempted from taxation by Minnesota Statutes, section 272.02, is exempt from any ad valorem taxes imposed pursuant to this act.*

Subd. 3. [LEVY LIMIT EXEMPTION.] *Taxes and service charges imposed pursuant to this act shall not be included in the calculation of levies or limits on levies provided by other law or home rule charter provision.*

Subd. 4. [EXCLUSION FROM HOMESTEAD CREDIT.] *Taxes levied under this section shall not be reduced pursuant to Minnesota Statutes, section 273.13, subdivision 6, 7, 7d, or 14a.*

Sec. 10. [ENLARGEMENT OF SPECIAL SERVICE DISTRICTS.]

Boundaries of a special service district may be enlarged only after hearing and notice as provided in sections 8 and 9. Notice shall be served in the original district and in the area proposed to be added to the district. Property added to the district shall be subject to all taxes levied and service charges imposed within the district after the property becomes a part of the district. The petition requirement in section 8 and the veto power in section 15 shall only apply to owners, individuals, and business organizations in the area proposed to be added to the district.

Sec. 11. [COLLECTION OF TAXES.]

Ad valorem taxes levied within a special service district shall be collected and paid over as other ad valorem taxes, but shall be spread only upon the assessed value of property described in the ordinance. Service charges imposed shall be collected as provided by ordinance. Taxes collected pursuant to this act shall not be included in computations under Minnesota Statutes, section 273.76, chapter 473F, or any other law that applies to general ad valorem levies.

Sec. 12. [BONDS.]

At any time after a contract for the construction of all or part of an improvement authorized pursuant to this act has been entered into or the work has been ordered done by day labor, the governing body of the city may issue obligations in the amount it deems necessary to defray in whole or in part the expense incurred and estimated to be incurred in making the improvement, including every item of cost from inception to completion and all fees and expenses incurred in connection with the improvement or the financing. The obligations shall be payable primarily out of the proceeds of the tax levied pursuant to section 9, or from any other special assessment or nontax revenues available to be pledged for their payment under charter or other statutory authority, or from any two or more of such sources. The governing body may, by resolution adopted prior to the sale of obligations, pledge the full faith, credit, and taxing power of the municipality to assure payment of the principal and interest if the proceeds of the tax levy in the district are insufficient to pay the principal and interest. The obligations shall be issued in accordance with Minnesota Statutes, chapter 475, except that an election

shall not be required, and the amount of the obligations shall not be included in determining the net debt of the city under the provisions of any law or charter limiting debt.

Sec. 13. [ADVISORY BOARD.]

The governing body of the city may create and appoint an advisory board for each special service district in the city to advise the governing body in connection with the construction, maintenance, and operation of improvements, and the furnishing of special services in a district. The advisory board shall make recommendations to the governing body on the requests and complaints of owners, occupants, and users of property within the district and members of the public. Before the adoption of any proposal by the governing body to provide services or impose taxes or service charges within the district, the advisory board of the district shall have an opportunity to review and comment upon the proposal.

Sec. 14. [PETITION REQUIRED.]

No action may be taken pursuant to section 8 unless owners of ten percent or more of the land area of the proposed special service district and owners of ten percent or more of the assessed value of the proposed district file a petition requesting a public hearing on the proposed action with the city clerk. No action may be taken pursuant to section 8 to impose an ad valorem tax unless owners of ten percent or more of the land area subject to a proposed tax and owners of ten percent or more of the assessed value subject to a proposed tax file a petition requesting a public hearing on the proposed action with the city clerk. No action may be taken pursuant to section 9 to impose a service charge unless ten percent or more of the individual or business organizations subject to the proposed service charge file a petition requesting a public hearing on the proposed action with the city clerk. If the boundaries of a proposed district are changed or the land area or assessed value subject to a tax or the individuals or business organizations subject to a service charge are changed after the public hearing, a petition meeting the requirements of this section must be filed with the city clerk before the ordinance establishing the district or resolution imposing the tax or service charge may become effective.

Sec. 15. [VETO POWER OF OWNERS.]

Subdivision 1. [NOTICE OF RIGHT TO FILE OBJECTIONS.] Except as provided in section 16, the effective date of any ordinance or resolution adopted pursuant to sections 8 and 9 shall be at least 45 days after it is adopted. Within five days after adoption of the ordinance or resolution, a copy of the ordinance or resolution shall be mailed to the owner of each parcel included in the special service district and any individual or business organization subject to a service charge in the same manner that notice is mailed pursuant to section 8. The mailing shall include a notice that owners subject to a tax and individuals and business organizations subject to a service charge have a right to veto the ordinance or resolution by filing the required number of objections with the city clerk before the effective date of the ordinance or resolution.

Subd. 2. [REQUIREMENT FOR VETO.] If owners of 35 percent of the land area in the district and owners of 35 percent of the assessed value in the

district file an objection to the ordinance adopted by the city pursuant to section 8 with the city clerk before the effective date of the ordinance, the ordinance shall not become effective. If owners of 35 percent of the land area subject to a tax and owners of 35 percent of the assessed value subject to a tax file an objection to the resolution adopted levying an ad valorem tax pursuant to section 8 with the city clerk before the effective date of the resolution, the resolution shall not become effective. If 35 percent of individuals and business organizations subject to a service charge file an objection to the resolution adopted imposing a service charge pursuant to section 9 with the city clerk before the effective date of the resolution, the resolution shall not become effective.

Sec. 16. [EXCLUSION FROM PETITION REQUIREMENTS AND VETO POWER.]

The petition requirement of section 14 and the right of owners and those subject to a service charge to veto a resolution in section 15 do not apply to second or subsequent years' applications of a tax or service charge which is authorized to be in effect for more than one year pursuant to a resolution which has met the petition requirements of section 14 and which has not been vetoed under section 15 for the first year's application. A resolution levying a tax or imposing a service charge for more than one year shall not be adopted unless the notice of public hearing required by section 9 and the notice mailed with the adopted resolution pursuant to section 15 include the following information:

(a) In the case of improvements, the maximum rate or amount of taxes to be levied or the maximum service charge to be imposed in any year and the maximum number of years the taxes will be levied or service charges imposed to pay for the improvement.

(b) In the case of operating and maintenance services, the maximum rate or amount of taxes to be levied or the maximum service charge to be imposed in any year and the maximum number of years; or a statement that the tax will be imposed for an indefinite number of years, the taxes will be levied or service charges imposed to pay for operation and maintenance services.

The resolution may provide that the maximum amount of tax to be levied or maximum service charge to be imposed in any year will increase or decrease from the maximum amount authorized in the preceding year based on an indicator of increased cost or a percentage amount established by the resolution.

Sec. 17. [REPORT TO LEGISLATURE.]

The administrator of the city of Mora shall file a written report with the chairman of the house local and urban affairs committee and the chairman of the senate local and urban government committee on or before January 31, 1986. The report shall apprise the committee as to the activities undertaken pursuant to this act and recommend any changes that should be considered if the legislature were to enact statewide legislation for the establishment of special service districts.

Sec. 18. [164.152] [BARRICADED ROADS; LIABILITY.]

When a town board, by resolution, closes and barricades a road under its

jurisdiction to motor vehicle use, for seasonal recreation use or other purposes, the town board and its officers and employees are exempt from liability for any claim for injury to person or property arising from any use, whether recreational or otherwise, of the barricaded road.

Sec. 19. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day following final enactment. Section 4 is effective on approval by the town board of the town of Cannon Falls. Section 5 is effective on approval by the Pine county board. Section 6 is effective on approval by the Kanabec county board. Sections 7 to 17 are effective on approval by the Mora city council. All approvals must comply with section 645.021."

Delete the title and insert:

"A bill for an act relating to local government; authorizing the conduct of town business and elections outside the town; renewal of certain town off-sale liquor licenses; exempting town boards from liability arising from use of certain roads; authorizing the town board of Cannon Falls and the county boards of Pine and Kanabec counties to issue one off-sale liquor license each; permitting the establishment of special service districts in the city of Mora; amending Minnesota Statutes 1984, sections 204B.16, subdivision 1; and 365.51; proposing coding for new law in Minnesota Statutes, chapter 164."

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

Senate Conferees: (Signed) Florian Chmielewski, Betty A. Adkins, Jim Gustafson

House Conferees: (Signed) Sylvester B. Uphus, Dennis C. Frederickson, Lona A. Minne

Mr. Chmielewski moved that the foregoing recommendations and Conference Committee Report on S.F. No. 676 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 676 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 54 and nays 5, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Dieterich

Laidig

Pehler

Peterson, C.C.

Renneke

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

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 that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1249, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1249: A bill for an act relating to horse racing; making certain technical and clarifying amendments; providing for certain name changes; modifying certain license revocation and suspension procedures; modifying the amounts deducted by the licensee for purses; appropriating money; amending Minnesota Statutes 1984, sections 240.01, subdivision 10; 240.02, subdivision 5; 240.03; 240.04; 240.05, subdivision 2; 240.06, subdivision 2; 240.08, subdivisions 1 and 5; 240.09, subdivisions 2, 3, and 6; 240.13, subdivisions 5 and 6; 240.14, subdivision 1; 240.15, subdivisions 5 and 6; 240.16, subdivisions 1 and 6; 240.18; 240.22; 240.24; 240.25, subdivisions 1 and 4; 240.29; 541.20; and 541.21; repealing Minnesota Statutes 1984, section 624.02.

Senate File No. 1249 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

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. 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 a penalty; proposing coding for new law as Minnesota Statutes, chapter 153A.

Senate File No. 928 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

CONCURRENCE AND REPASSAGE

Mr. Wegscheid moved that the Senate concur in the amendments by the House to S.F. No. 928 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 928 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 60 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Petty voted in the negative.

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 1140: A bill for an act relating to agriculture; requiring swine herd identification for disease control and meat inspection; proposing coding for new law in Minnesota Statutes, chapter 35.

Senate File No. 1140 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

CONCURRENCE AND REPASSAGE

Ms. Peterson, D.C. moved that the Senate concur in the amendments by the House to S.F. No. 1140 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1140: A bill for an act relating to agriculture; requiring swine herd identification for disease control and meat inspection; proposing coding for new law in Minnesota Statutes, chapter 17A.

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

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

The roll was called, and there were yeas 58 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Dieterich voted in the negative.

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1159 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON 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.

May 20, 1985

The Honorable Jerome M. Hughes
President of the Senate

The Honorable David M. Jennings
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1159, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 1159 be further amended as follows:

Page 15, after line 12, insert:

“Sec. 21. [EFFECTIVE DATE.]

The amendments to Minnesota Statutes, section 302A.671, subdivision 1, paragraph (a), made by this act are effective August 1, 1986.”

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

Senate Conferees: (Signed) William P. Luther, Lawrence J. Pogemiller, Eric D. Petty, Fritz Knaak

House Conferees: (Signed) Jim Heap, Marcus M. Marsh, Arthur W. Seaberg, Donald L. Frerichs, Wayne Simoneau

Mr. Luther moved that the foregoing recommendations and Conference

Committee Report on S.F. No. 1159 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 1159 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 54 and nays 4, as follows:

Those who voted in the affirmative were:

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

Messrs. Anderson, Belanger, Bertram and Kroening voted in the negative.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Langseth moved that S. F. No. 43 be taken from the table. The motion prevailed.

S.F. No. 43: A bill for an act relating to transportation; regulating motor carriers; establishing gross vehicle weight limits for courier service vehicles; providing that hours of service rules do not apply to farm vehicles; exempting certain farm vehicles from the vehicle identification rule; providing for rescission of canceled permits if a carrier has insurance coverage; excluding modular home movers from regulation as building movers; amending Minnesota Statutes 1984, sections 168.013, subdivision 1e; 174A.06; 221.011, subdivisions 13 and 25; 221.025; 221.031, subdivisions 2 and 6; 221.131, by adding a subdivision; 221.161, subdivision 1; 221.185, subdivision 4, and by adding a subdivision; 221.231; 221.291, subdivision 1; 221.65; 221.67; 221.68; 221.81, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1984, sections 221.296, subdivision 2; 221.61; 221.62; 221.63; 221.64; and 221.66.

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 61 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Dieterich voted in the negative.

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

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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 1070, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1070 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

CONFERENCE COMMITTEE REPORT ON H.F. NO. 1070

A bill for an act relating to corrections; authorizing the commissioner of corrections to do background studies on personnel employed by certain licensed facilities; requiring the commissioner of corrections to establish a program to prevent sexual exploitation by psychotherapists; extending the sexual exploitation task force; creating an advisory task force to study the regulation of psychotherapists; amending Minnesota Statutes 1984, section 241.021, by adding a subdivision; Laws 1984, chapter 631, section 1, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 241.

May 20, 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. 1070, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 1070 be

further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 241.021, is amended by adding a subdivision to read:

Subd. 6. [BACKGROUND STUDIES.] The commissioner of corrections is authorized to do background studies on personnel employed by any facility serving children or youth that is licensed under this section. A clerk of any court, the bureau of criminal apprehension, a prosecuting attorney, a county sheriff, or a chief of a local police department, shall assist in these studies by providing to the commissioner, or the commissioner's representative, all criminal conviction data available from local, state, and national criminal history record repositories, including the criminal justice data communications network, pertaining to the following individuals: applicants, operators, all persons living in the household, and all staff of any facility subject to background studies under this subdivision.

Sec. 2. [241.80] [PREVENTION OF SEXUAL EXPLOITATION BY PSYCHOTHERAPISTS.]

The commissioner of corrections shall establish, as part of the program for victims of sexual assault, a program of public and professional education concerning sexual exploitation by psychotherapists. To the extent of available appropriations, the commissioner shall, in consultation with the task force established in Laws 1984, chapter 631:

(1) develop policy and procedure models and materials for use by professionals, professional organizations, educational institutions, and employers and supervisors;

(2) develop education and training programs for professionals, professional organizations, educational institutions, and employers and supervisors;

(3) collect and distribute information on the problem of sexual exploitation by psychotherapists;

(4) develop manuals, brochures, and other informational materials for distribution to the public, professionals and professional organizations, educational institutions, and employers and supervisors;

(5) educate participants in the administrative, civil, and criminal complaint systems on the laws concerning sexual exploitation, the rights of victims, and other matters;

(6) provide information and referral services, and facilitate advocacy, crisis intervention, and other assistance to victims of sexual exploitation through existing programs, including the state sexual assault network;

(7) develop a statement of the rights of psychotherapy clients, relating to sexual exploitation, which could be included in existing bills of rights;

(8) promote public awareness of the problem of sexual exploitation and the rights of psychotherapy clients; and

(9) provide recommendations to the legislature concerning the need for services or legislation.

At the request of the legislature, the commissioner shall report on the problem of sexual exploitation by psychotherapists and the activities of the department under this section.

Sec. 3. Laws 1984, chapter 631, section 1, subdivision 1, is amended to read:

Subdivision 1. [CREATION; MEMBERSHIP.] The commissioner of corrections shall appoint a task force to study the problem of sexual exploitation by counselors and therapists. The task force shall consist of not more than 18 members who are broadly representative of the state, including representatives of professional organizations, board of medical examiners, board of psychology, and board of nursing, agencies and individuals offering counseling or therapy services, the legal community, appropriate state agencies, women's organizations, mental health advocacy organizations, men's organizations, and consumers. The terms, compensation, and removal of members are as provided in section 15.059, *except that members shall be reimbursed for expenses at the discretion of the commissioner within the limits of available appropriations.*

Sec. 4. Laws 1984, chapter 631, section 1, subdivision 4, is amended to read:

Subd. 4. [EXPIRATION.] The task force expires on July 1, ~~1985~~ 1986.

Sec. 5. [ADVISORY TASK FORCE ON THE REGULATION OF PSYCHOTHERAPISTS.]

Subdivision 1. [TASK FORCE ESTABLISHED.] An advisory task force is created to study and report to the commissioner of health and the legislature on the need for licensing or regulation of currently unregulated occupations, professions, and individuals engaging in psychotherapy. The task force consists of no more than 16 members, including a psychologist appointed by the board of psychology, a nurse appointed by the board of nursing, a psychiatrist appointed by the board of medical examiners, and the following members appointed by the commissioner of health:

(1) a social worker recommended by the Coalition for the Legal Regulation of Social Workers;

(2) a chemical dependency counselor recommended by the Institute for Chemical Dependency Professionals in Minnesota;

(3) a marriage and family therapist recommended by the Upper Midwest Association for Marriage and Family Therapy;

(4) a counselor recommended by the Minnesota Association for Counseling and Development;

(5) two public members knowledgeable about psychotherapy or the regulation of occupations and professions; and

(6) up to seven additional members who have knowledge and expertise in the procedures and issues related to the regulation of occupations and professions.

The task force shall report its findings and recommendations to the commissioner of health and the legislature by June 30, 1986. In addition to ad-

addressing the criteria for regulation specified in section 214.001, subdivision 2, and other matters the task force considers appropriate, the report must address (1) the need to create consequences for psychotherapists who exploit, mistreat, or otherwise harm a client, including consequences that are directly related to their practice of psychotherapy including prohibitions of the right to practice; and (2) the need for a system of redress with the state, for victims of misconduct by psychotherapists, that is directly related to the psychotherapist's practice. Nothing in this section affects or delays the status of the application of any group for regulation under section 214.13. The task force expires when its responsibilities under this section are completed, but no later than June 30, 1987.

Sec. 6. [APPROPRIATION.]

\$30,000 is appropriated from the general fund to the commissioner of corrections for purposes of section 2.

Sec. 7. [REPEALER.]

Section 2 is repealed on July 1, 1987."

Delete the title and insert:

"A bill for an act relating to occupations and professions; requiring the commissioner of corrections to establish a program to prevent sexual exploitation by psychotherapists; extending the sexual exploitation task force; establishing a legislative study commission on the regulation of psychotherapists; appropriating money; amending Minnesota Statutes 1984, section 241.021, by adding a subdivision; and Laws 1984, chapter 631, section 1, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 241."

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

House Conferees: (Signed) Dennis D. Ozment, Kathleen A. Blatz, Daniel J. Knuth

Senate Conferees: (Signed) Donna C. Peterson, Dean E. Johnson, Eric D. Petty

Ms. Peterson, D.C. moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1070 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. 1070 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 63 and nays 0, as follows:

Those who voted in the affirmative were;

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

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

Without objection, the Senate reverted to the Orders of Business of Messages From the House and First Reading of House Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 676, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 676: A bill for an act relating to towns; authorizing the conduct of town business at places located outside the town; amending Minnesota Statutes 1984, sections 365.51 and 365.52; proposing coding for new law in Minnesota Statutes, chapter 365.

Senate File No. 676 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 43, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 43: A bill for an act relating to transportation; regulating motor carriers; establishing gross vehicle weight limits for courier service vehicles; providing that hours of service rules do not apply to farm vehicles; exempting certain farm vehicles from the vehicle identification rule; providing for rescission of canceled permits if a carrier has insurance coverage; excluding modular home movers from regulation as building movers; amending Minnesota Statutes 1984, sections 168.013, subdivision 1e; 174A.06; 221.011, subdivisions 13 and 25; 221.025; 221.031, subdivisions 2 and 6; 221.131, by adding a subdivision; 221.161, subdivision 1; 221.185, subdivision 4, and by adding a subdivision; 221.231; 221.291, subdivision 1; 221.65; 221.67; 221.68; 221.81, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1984, sections 221.296,

subdivision 2; 221.61; 221.62; 221.63; 221.64; and 221.66.

Senate File No. 43 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 401, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 401: A bill for an act relating to creditor's remedies; providing for an increase in the amount of farm machines and implements exemption; clarifying the garnishment limitation for the sale of farm products; authorizing the court to allow the respondent in a replevin action to retain or regain possession without posting a bond; authorizing the court to stay an action to recover possession for up to six months; extending the effective period of a garnishee summons; amending Minnesota Statutes 1984, sections 550.37, subdivisions 5, 7, 13, 14, and 24; 565.25, subdivision 2; 571.41, subdivisions 6 and 7; 571.42; 571.495, subdivision 3; and 571.55, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 565.

Senate File No. 401 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1183, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1183: A bill for an act relating to intoxicating liquor; providing for issuance of licenses within Indian country; allowing the sales between collectors of discontinued brands of beer in cans; authorizing the issuance of on-sale licenses in certain theaters in Minneapolis; amending Minnesota Statutes 1984, section 340.11, subdivision 15, and by adding a subdivision.

Senate File No. 1183 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 719, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 719: A bill for an act relating to wild animals; authorizing the commissioner of natural resources to permit, on an experimental basis, the taking of two deer by one hunter, under conditions and restrictions prescribed

by order; requiring the removal of elk from the state; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 97.

Senate File No. 719 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 472, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 472: A bill for an act relating to taxation; discontinuing enforcement of the unfair cigarette sales act; modifying certain procedures relating to taxpayer appeals; requiring apportionment of levies in specific situations; clarifying the calculation of property tax credits; clarifying the tax treatment of certain pipelines; modifying provisions relating to the payment of property taxes; allowing for sales of sample packs of cigarettes containing 25 cigarettes; altering the eligibility for confessions of judgment; providing for the recording of state deeds; modifying the deed stamp tax procedure; clarifying the computation of gross earnings tax for taconite railroads; clarifying labor credit provisions; modifying the taconite production tax distribution; reducing occupation and royalty tax rates for certain ore; clarifying process of taconite aid guarantee phase out; requiring payment of current taxes before conveyance of registered land; allowing for memorializing of state deeds on certificates of title; amending Minnesota Statutes 1984, sections 270.06; 270.076, subdivision 2; 270.11, subdivision 7; 270.12, subdivision 3; 272.02, subdivision 1; 273.123, subdivision 5; 273.13, subdivision 4; 273.138, subdivision 5; 273.33, subdivisions 1 and 2; 279.01, subdivision 1; 279.37, subdivision 1; 282.01, subdivision 6; 282.014; 282.301; 282.33, subdivision 1; 282.36; 287.25; 294.22; 297.03, subdivision 10; 298.01, subdivision 1; 298.02, subdivision 1; 298.225; 298.28, subdivision 1; 299.01, subdivision 1; 299.012, subdivision 1; 473H.10, subdivision 3; 508.47, subdivision 4; 508.71, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 273; repealing Minnesota Statutes 1984, sections 298.01, subdivision 2; 299.01, subdivision 2; 325D.41; and 477A.04.

Senate File No. 472 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

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. 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; extending the provisions authorizing courts to approve postpone-

ments of mortgage foreclosure and contract for deed terminations and making them permanent law in certain cases; abolishing certain exclusionary provisions; clarifying certain provisions; amending Minnesota Statutes 1984, sections 47.20, subdivision 15; 559.21, subdivisions 3, 4, and 6, and by adding subdivisions; 580.031; 583.02; 583.03; 583.04; 583.05; 583.07; and 583.10; repealing Minnesota Statutes 1984, sections 287.02; and 559.21, subdivisions 1, 1a, and 2; and Laws 1983, chapter 215, section 16, as amended.

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

Halberg, Bishop and Cohen.

Senate File No. 567 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1985

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 1645.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 1645: A bill for an act relating to economic development; creating a special enterprise zone for a large manufacturing facility; providing for the taxation of the facility; authorizing the issuance of bonds; providing assistance to locate a large manufacturing facility in the state; appropriating money; amending Minnesota Statutes 1984, sections 273.1312, subdivisions 3 and 4; and 273.1314, subdivisions 3, 4, 6, 7, 8, 9, and by adding a subdivision.

SUSPENSION OF RULES

Mr. Luther 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. 1645 and that the rules of the Senate be so far suspended as to give H.F. No. 1645 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 1645 was read the second time.

Mr. Benson moved to amend H.F. No. 1645 as follows:

Page 3, line 11, delete "single"

Page 3, delete lines 12 and 13 and insert "*any project which creates new jobs and which*"

Page 3, line 14, delete "*least \$3,000,000, and*"

Page 3, line 15, delete "*new facility*" and insert "*project*"

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 25 and nays 35, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Mr. Ramstad moved to amend H.F. No. 1645 as follows:

Page 17, after line 4, insert:

"ARTICLE 4 ALTERNATIVE APPROPRIATION

Section 1.

If the commissioner of energy and economic development does not designate an enterprise zone under section 273.1312, subdivision 4, paragraph (c), clause (4), prior to September 30, 1985, \$45,000,000 is appropriated from the general fund to the economic development fund created in Minnesota Statutes, section 116M.06, subdivision 4, to be used to provide financial support to eligible small businesses as defined in Minnesota Statutes, section 116M.03, subdivision 4."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 14 and nays 44, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knaak	McQuaid	Samuelson
Berg	Johnson, D.E.	Kronebusch	Peterson, D.L.	Storm
Brataas	Kamrath	Laidig	Ramstad	

Those who voted in the negative were:

Adkins	Dicklich	Johnson, D.J.	Nelson	Schmitz
Belanger	Diessner	Jude	Olson	Sieloff
Benson	Dieterich	Kroening	Pehler	Solon
Bernhagen	Frank	Langseth	Peterson, C.C.	Spear
Bertram	Frederickson	Lantry	Peterson, R.W.	Stumpf
Chmielewski	Freeman	Lessard	Petty	Vega
Dahl	Gustafson	Luther	Pogemiller	Waldorf
Davis	Hughes	Mehrkins	Purfeerst	Willet
DeCramer	Isackson	Moe, R. D.	Reichgott	

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

Mr. Benson moved to amend H.F. No. 1645 as follows:

Page 17, after line 4, insert:

**“ARTICLE 4
ALTERNATIVE PROPERTY TAX CREDIT**

Section 1. [APPROPRIATION.]

If the commissioner of energy and economic development does not designate an enterprise zone under section 273.1312, subdivision 4, paragraph (c), clause (4), prior to September 30, 1985, \$45,000,000 is appropriated from the general fund to the commissioner of revenue to be used to reimburse local units of government for revenue lost as a result of the credit provided in section 2.

Sec. 2. [TAX CREDIT.]

If the commissioner does not designate an enterprise zone under section 273.1312, subdivision 4, paragraph (c), clause (4), prior to September 30, 1985, the county auditor shall reduce the tax on all commercial or industrial property classified as class 4c and employment property classified as class 4d for taxes payable in 1986 only by an amount equal to 16 percent of the property tax on the first \$60,000 of market value of the property and five percent of the property tax on the market value of the property in excess of \$60,000. Reimbursements to local units of government for revenue lost as a result of the property tax reduction provided in this section shall be certified and paid according to the provisions of Minnesota Statutes, section 273.13, subdivision 15a.”

Amend the title as follows:

Page 1, line 7, after “state,” insert “providing for an alternative tax credit;”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 35, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Mr. Laidig moved to amend H.F. No. 1645 as follows:

Page 3, line 12, delete “a projected”

Page 3, line 13, delete "5,000" and insert "6,000" and delete "projected"

Page 3, line 14, delete "\$3,000,000,000" and insert "\$3,500,000,000"

Page 12, line 20, after "has" delete "a"

Page 12, line 21, delete "projected" and delete "5,000" and insert "6,000"

Page 12, line 22, delete "projected" and delete "\$3,000,000,000" and insert "\$3,500,000,000"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 41, as follows:

Those who voted in the affirmative were:

Anderson	Bertram	Johnson, D.E.	McQuaid	Renneke
Belanger	Brataas	Kamrath	Mehrkens	Sieloff
Benson	Frederick	Knaak	Olson	Storm
Berg	Frederickson	Kronebusch	Peterson, D.L.	
Bernhagen	Isackson	Laidig	Ramstad	

Those who voted in the negative were:

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

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

H.F. No. 1645 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 41 and nays 26, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

So the bill passed and its title was agreed to.

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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 1227, and repassed said bill in accordance with the report of the Committee, so adopted.

H.F. No. 1227 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1985

CONFERENCE COMMITTEE REPORT ON H.F. NO. 1227

A bill for an act relating to crimes; prohibiting sexual contact or penetration based on deception; providing that a psychotherapist who engages in sexual contact or penetration with a patient is guilty of criminal sexual conduct; limiting admissibility of a patient's personal or medical history; amending Minnesota Statutes 1984, sections 609.341, by adding subdivisions; 609.344; 609.345; and 609.347, by adding a subdivision.

May 20, 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. 1227, report that we have agreed upon the items in dispute and recommend as follows:

That the House accede to the Senate amendment adopted May 16, 1985, that the Senate recede from its other amendments, and that H.F. No. 1227 be further amended as follows:

Page 1, line 24, after "*the*" insert "*professional*"

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

House Conferees: (Signed) David T. Bishop, Kathleen A. Blatz, Robert E. Vanasek

Senate Conferees: (Signed) Donna C. Peterson, Allan H. Spear, Dean E. Johnson

Ms. Peterson, D.C. moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1227 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. 1227 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 62 and nays 2, as follows:

Those who voted in the affirmative were:

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

Mrs. Brataas and Mr. Sieloff voted in the negative.

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

MEMBERS EXCUSED

Mr. Dicklich was excused from the Session of today from 6:00 to 7:30 p.m. Mr. Moe, R.D. was excused from the Session of today from 4:30 to 5:45 p.m. and from 6:00 to 7:10 p.m.

The following members were excused from today's Session for brief periods of time:

Messrs. Lessard, Novak, Mrs. Kronebusch, Mr. Frank, Ms. Reichgott, Messrs. Johnson, D.J.; Peterson, C.C.; Petty and Merriam.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:00 p.m., Monday, February 3, 1986. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate