

FORTY-FIRST DAY

St. Paul, Minnesota, Friday, May 1, 1987

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

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Marjorie B. Aurelius.

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

Adkins	Davis	Knaak	Moe, D.M.	Samuelson
Anderson	DeCramer	Knutson	Moe, R.D.	Schmitz
Beckman	Dicklich	Kroening	Morse	Solon
Belanger	Diessner	Laidig	Novak	Spear
Benson	Frank	Langseth	Olson	Storm
Berg	Frederick	Lantry	Pehler	Stumpf
Berglin	Frederickson, D.J.	Larson	Peterson, D.C.	Taylor
Bernhagen	Frederickson, D.R.	Lessard	Peterson, R.W.	Vickerman
Bertram	Freeman	Luther	Piper	Waldorf
Brandl	Gustafson	Marty	Pogemiller	Wegscheid
Brataas	Hughes	McQuaid	Purfeerst	Willet
Chmielewski	Johnson, D.E.	Mehrkens	Ramstad	
Cohen	Johnson, D.J.	Merriam	Reichgott	
Dahl	Jude	Metzen	Renneke	

The President declared a quorum present.

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

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

April 29, 1987

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. 73, 136 and 1067.

Sincerely,

Rudy Perpich, Governor

April 30, 1987

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. 725.

Sincerely,

Rudy Perpich, Governor

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. 482: A bill for an act relating to insurance; regulating terminations of certain agency contracts; requiring companies to attempt to rehabilitate agents before terminating their appointment; regulating these rehabilitation agreements; amending Minnesota Statutes 1986, section 60A.171, subdivisions 1, 3, and by adding a subdivision.

Senate File No. 482 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 30, 1987

CONCURRENCE AND REPASSAGE

Mr. Metzen moved that the Senate concur in the amendments by the House to S.F. No. 482 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 482 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 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knutson	Metzen	Samuelson
Anderson	DeCramer	Kroening	Morse	Schmitz
Beckman	Dicklich	Laidig	Novak	Solon
Berg	Diessner	Langseth	Olson	Spear
Berglin	Frank	Lantry	Pehler	Storm
Bernhagen	Frederick	Larson	Peterson, D.C.	Stumpf
Bertram	Frederickson, D.I.	Lessard	Peterson, R.W.	Taylor
Brandl	Frederickson, D.R.	Luther	Piper	Willet
Brataas	Freeman	Marty	Pogemiller	
Chmielewski	Hughes	McQuaid	Ramstad	
Cohen	Johnson, D.E.	Mehrkens	Reichgott	
Dahl	Jude	Merriam	Renneke	

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. 863: A bill for an act relating to horse racing; authorizing the racing commission to issue an additional license for a racetrack in the seven-county metropolitan area to be used for standard-bred racing; amending Minnesota Statutes 1986, sections 240.06, by adding a subdivision; and 240.14, subdivision 1.

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

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 30, 1987

CONCURRENCE AND REPASSAGE

Mr. Wegscheid moved that the Senate concur in the amendments by the House to S.F. No. 863 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 863 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 44 and nays 14, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hughes	McQuaid	Pogemiller
Anderson	DeCramer	Johnson, D.E.	Mehrrens	Renneke
Beckman	Dicklich	Johnson, D.J.	Merriam	Schmitz
Berg	Diessner	Jude	Metzen	Spear
Bernhagen	Frank	Knaak	Morse	Stumpf
Bertram	Frederick	Laidig	Novak	Taylor
Brataas	Frederickson, D.J.	Langseth	Pehler	Wegscheid
Cohen	Frederickson, D.R.	Lantry	Peterson, R.W.	Willet
Dahl	Freeman	Luther	Piper	

Those who voted in the negative were:

Belanger	Chmielewski	Larson	Peterson, D.C.	Storm
Berglin	Knutson	Marty	Ramstad	Vickerman
Brandl	Kroening	Olson	Reichgott	

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 House Files, herewith transmitted: H.F. Nos. 609, 1193, 1444, 305, 630, 931, 283, 1111 and 753.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 30, 1987

FIRST READING OF HOUSE BILLS

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

H.F. No. 609: A bill for an act relating to government data practices; giving the department of energy and economic development access to certain employment data; amending Minnesota Statutes 1986, section 268.12, subdivision 12.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 854.

H.F. No. 1193: A bill for an act relating to independent school district No. 206, Alexandria; providing for elections of the school board.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1051, now on the Calendar.

H.F. No. 1444: A bill for an act relating to towns; providing procedures for their organization and dissolution; amending Minnesota Statutes 1986, sections 365.45; 368.47; and 379.01.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1322, now on General Orders.

H.F. No. 305: A bill for an act relating to the city of Mankato; authorizing location of certain polling places more than 3,000 feet outside precinct boundaries.

Referred to the Committee on Elections and Ethics.

H.F. No. 630: A bill for an act relating to health; allowing health maintenance organizations to adjust premiums based on actual health services utilization; amending Minnesota Statutes 1986, sections 62D.04, subdivision 1; 62D.08, subdivision 3; and 62D.10, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 582, now on General Orders.

H.F. No. 931: A bill for an act relating to public guardianship; modifying standards and procedures for the appointment of public guardians for mentally retarded persons; providing for powers and duties of public guardians; amending Minnesota Statutes 1986, sections 252.291, subdivision 3; 252A.01; 252A.02, subdivisions 2, 4, 6, 7, 8, 11, 12, and by adding subdivisions; 252A.03, subdivisions 2 and 3; 252A.04, subdivisions 1 and 3; 252A.05; 252A.06; 252A.07, subdivisions 1 and 3; 252A.14; 252A.16; 252A.17; 252A.19, subdivisions 1, 2, and 3, and by adding a subdivision; 252A.20, subdivision 1; 252A.21, subdivision 2; 253B.03, subdivisions 1 and 6; and 525.56, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 252A; repealing Minnesota Statutes 1986, sections 252A.08; 252A.10; 252A.11; 252A.13; 252A.15; and 252A.18.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 868, now on General Orders.

H.F. No. 283: A bill for an act relating to elections; requiring confidentiality of certain matters before the ethical practices board; raising certain campaign contribution disclosure limits; changing the method of calculat-

ing certain campaign expenditure limits; amending Minnesota Statutes 1986, sections 10A.02, subdivision 11; 10A.12, subdivision 5; 10A.20, subdivisions 3 and 5; 10A.25, subdivisions 2 and 7; 10A.255; and Laws 1980, chapter 362, section 4, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 210A.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 100, now on General Orders.

H.F. No. 1111: A bill for an act relating to crimes; providing that it is a prima facie case for reference for prosecution as an adult if a child is alleged to have committed an aggravated felony against the person as a member of an organized gang; making it a crime for an alleged or adjudicated juvenile delinquent who is 18 years old to escape from lawful custody; amending Minnesota Statutes 1986, sections 260.125, subdivision 3; and 609.485, subdivisions 2 and 4.

Referred to the Committee on Judiciary.

H.F. No. 753: A bill for an act relating to education; providing aids to education, aids to libraries, appropriations to the state academies for the deaf and blind, and the department of education; changing secondary pupil unit weighting; establishing a formula equity allowance; changing the calculation of special education aid; increasing the community education formula; changing the capital expenditure formula; changing the secondary vocational funding formula; increasing desegregation levies and appropriating desegregation aid; appropriating money; amending Minnesota Statutes 1986, sections 43A.08, subdivisions 1 and 1a; 43A.18, subdivision 4; 118.12; 118.13; 118.14; 120.03, subdivision 1; 120.0752, by adding a subdivision; 120.17, subdivisions 1, 2, 3, 3a, 3b, 5, 7a, 12, and by adding subdivisions; 121.609, subdivision 4; 121.612, subdivisions 3, 5, and by adding subdivisions; 121.87, subdivision 1, and by adding a subdivision; 121.88, subdivision 2, and by adding a subdivision; 121.935, subdivision 6; 121.936, subdivision 1; 122.541, subdivision 2; 123.36, subdivision 13; 123.39, subdivision 1, and by adding a subdivision; 123.58, subdivisions 6 and 8a; 123.705, subdivision 1; 124.05, subdivision 1; 124.17, subdivisions 1 and 1a; 124.195, subdivision 9; 124.2138, subdivision 4, and by adding a subdivision; 124.2162, by adding a subdivision; 124.223; 124.225, subdivisions 1, 4b, 7b, 8a, 8i, 10, and by adding a subdivision; 124.245, subdivisions 1, 3, and by adding subdivisions; 124.246, subdivision 2; 124.247, subdivision 3; 124.252, subdivision 3; 124.271, subdivision 2b; 124.2711, subdivision 1; 124.272, subdivision 1; 124.273, subdivision 1b, and by adding subdivisions; 124.32; 124.481; 124.524, by adding a subdivision; 124.573; 124.574, subdivisions 2b, 3, 4, and by adding subdivisions; 124.646, subdivision 1; 124A.01; 124A.02, subdivisions 7, 8, 9, 16, and by adding subdivisions; 124A.03, subdivisions 1a, 3, and by adding a subdivision; 124A.033, subdivision 2; 124A.036, by adding a subdivision; 124A.06; 124A.08, subdivisions 1, 3a, and 5; 124A.10, subdivision 1, and by adding a subdivision; 124A.12, subdivision 1; 124A.14, subdivision 4; 125.03, subdivision 5; 125.05, subdivision 1; 125.185, subdivision 4; 125.611, subdivisions 10, 11, 12, and 13; 126.02, subdivision 2; 126.48, by adding a subdivision; 126.56, subdivisions 3 and 6; 126.65; 126.66, subdivisions 1, 6, and by adding subdivisions; 126.67, subdivisions 1, 1a, 2a, 3a, 6, and 9; 126.81, subdivision 2; 129B.041, subdivisions 1 and 3; 134.10; 136D.27; 136D.71; 136D.74, subdivision 2; 136D.87; 275.125, subdivisions 5, 6e, 8c, 9, 11a, 11c, and by adding subdivisions; Laws 1984, chapter 463, article 6, section 15, subdivision 1; Laws 1986,

First Special Session chapter 1, article 5, section 9; proposing coding for new law in Minnesota Statutes, chapters 43A; 121; 122; 123; 124A; 125; 126; 128A; 129B; and 134; repealing Minnesota Statutes 1986, sections 120.17, subdivision 13; 123.937; 124.05, subdivision 2; 124.185; 124.2161; 124.2162; 124.2163; 124.225, subdivision 1a; 124.273, subdivision 2b; 124.275; 124A.20; 125.611, subdivisions 8 and 9; 129B.01; 129B.02; 129B.04; 129B.041, subdivision 4; 129B.05; 129B.17; 129B.20; 129B.21; 129B.35; 129B.37; and 275.125, subdivision 5d.

Mr. Luther moved that H.F. No. 753 be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 775: A bill for an act relating to education; providing for model programs in adult vocational occupational literacy training; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136C.

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

Page 1, lines 15 and 16, delete "*is established*"

Page 1, line 17, delete "*. The council shall consist*" and insert "*consists*"

Page 2, line 5, delete "*shall*" and insert "*must*"

Page 2, line 20, delete "*shall*" and insert "*may*"

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

H.F. No. 1159: A bill for an act relating to retirement; public pension plan or fund assets; prohibiting certain transfers or uses of assets; proposing coding for new law in Minnesota Statutes, chapter 356.

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

Delete everything after the enacting clause and insert:

"ARTICLE I

STATEWIDE PUBLIC SAFETY PENSION PLAN CHANGES

Section 1. Minnesota Statutes 1986, section 69.80, is amended to read:
69.80 [AUTHORIZED ADMINISTRATIVE EXPENSES.]

Notwithstanding any provision of law to the contrary, the payment of the following necessary, reasonable and direct expenses of maintaining, protecting and administering the special fund, when provided for in the bylaws of the association and approved by the board of trustees, shall constitute

authorized administrative expenses of a police, salaried firefighters' or volunteer firefighters' relief association organized under any law of this state:

(a) office expense including but not limited to rent, utilities, equipment, supplies, postage, periodical subscriptions, furniture, fixtures, and salaries of administrative personnel;

(b) salaries ~~and itemized expenses~~ of the president, secretary, and treasurer of the association, or their designees, *and any other official of the relief association to whom a salary is payable under bylaws or articles of incorporation in effect on January 1, 1986, and their itemized expenses* incurred as a result of fulfilling their responsibilities as administrators of the special fund;

(c) tuition, registration fees, organizational dues, and other authorized expenses of the officers or members of the board of trustees incurred in attending educational conferences, seminars, or classes relating to the administration of the relief association;

(d) audit, actuarial, medical, legal, and investment and performance evaluation expenses;

(e) reimbursement to the officers and members of the board of trustees, or their designees, for reasonable and necessary expenses actually paid and incurred in the performance of their duties as officers or members of the board; and

(f) premiums on fiduciary liability insurance and official bonds for the officers, members of the board of trustees, and employees of the relief association.

Any other expenses of the relief association shall be paid from the general fund of the association, if one exists. If a relief association has only one fund, that fund shall be deemed to be the special fund for purposes of this section. If a relief association has a special fund and a general fund, and any expense of the relief association is directly related to the purposes for which both funds were established, the payment of that expense shall be apportioned between the two funds on the basis of the benefits derived by each fund.

Sec. 2. Minnesota Statutes 1986, section 352.01, subdivision 2B, is amended to read:

Subd. 2B. [EXCLUDED EMPLOYEES.] The following persons are excluded from the meaning of state employee:

(1) elective state officers;

(2) students employed by the University of Minnesota, the state universities, and community colleges unless approved for coverage by the board of regents, the state university board or the state board for community colleges, as the case may be;

(3) employees who are eligible to membership in the state teachers retirement association except employees of the department of education who have elected or may elect to be covered by the Minnesota state retirement system instead of the teachers retirement association;

(4) employees of the University of Minnesota who are excluded from coverage by action of the board of regents;

(5) officers and enlisted personnel in the national guard and the naval militia and such as are assigned to permanent peacetime duty who pursuant to federal law are or are required to be members of a federal retirement system;

(6) election officers;

(7) persons engaged in public work for the state but employed by contractors when the performance of the contract is authorized by the legislature or other competent authority;

(8) officers and employees of the senate and house of representatives or a legislative committee or commission who are temporarily employed;

(9) all courts and court employees, referees, receivers, jurors, and notaries public, except employees of the appellate courts and referees and adjusters employed by the department of labor and industry;

(10) patient and inmate help in state charitable, penal and correctional institutions including the Minnesota veterans home;

(11) persons employed for professional services where the service is incidental to regular professional duties and whose compensation is paid on a per diem basis;

(12) employees of the Sibley House Association;

(13) employees of the Grand Army of the Republic and employees of the ladies of the G.A.R.;

(14) operators and drivers employed pursuant to section 16.07, subdivision 4;

(15) the members of any state board or commission who serve the state intermittently and are paid on a per diem basis; the secretary, secretary-treasurer, and treasurer of those boards if their compensation is \$500 or less per year, or, if they are legally prohibited from serving more than two consecutive terms and their total service therefor is required by law to be less than ten years; and the board of managers of the state agricultural society and its treasurer unless the treasurer is also its full time secretary;

(16) state troopers;

(17) temporary employees of the Minnesota state fair employed on or after July 1 for a period not to extend beyond October 15 of the same year; and persons employed at any time or times by the state fair administration for special events held on the fairgrounds;

(18) emergency employees in the classified service except emergency employees who within the same pay period become provisional or probationary employees on other than a temporary basis, shall be deemed "state employees" retroactively to the beginning of the pay period;

(19) persons described in section 352B.01, subdivision 2, clauses (b) and (c) formerly defined as state police officers;

(20) all temporary employees in the classified service, all temporary employees in the unclassified service appointed for a definite period of not more than six months and employed less than six months in any one-year period and all seasonal help in the classified service employed by the department of revenue;

(21) trainees paid under budget classification number 41, and other

trainee employees, except those listed in subdivision 2A, clause (10);

(22) persons whose compensation is paid on a fee basis;

(23) state employees who in any year have credit for 12 months service as teachers in the public schools of the state and as teachers are members of the teachers retirement association or a retirement system in St. Paul, Minneapolis, or Duluth;

(24) employees of the adjutant general employed on an unlimited intermittent or temporary basis in the classified and unclassified service for the support of army and air national guard training facilities;

(25) chaplains and nuns who have taken a vow of poverty as members of a religious order;

(26) labor service employees employed as a laborer 1 on an hourly basis;

(27) examination monitors employed by departments, agencies, commissions, and boards for the purpose of conducting examinations required by law;

(28) members of appeal tribunals, exclusive of the chair, to which reference is made in section 268.10, subdivision 4;

(29) persons appointed to serve as members of fact finding commissions, adjustment panels, arbitrators, or labor referees under the provisions of chapter 179;

(30) temporary employees employed for limited periods of time under any state or federal program for the purpose of training or rehabilitation including persons employed for limited periods of time from areas of economic distress except skilled and supervisory personnel and persons having civil service status covered by the system;

(31) full-time students employed by the Minnesota historical society who are employed intermittently during part of the year and full time during the summer months;

(32) temporary employees, appointed for not more than six months, of the metropolitan council and of any of its statutory boards, the members of which board are appointed by the metropolitan council;

(33) persons employed in positions designated by the department of employee relations as student workers;

(34) any person who is 65 years of age or older when appointed and who does not have allowable service credit for previous employment, unless the employee gives notice to the director within 60 days following appointment that coverage is desired;

(35) members of trades employed by the metropolitan waste control commission with trade union pension plan coverage pursuant to a collective bargaining agreement first employed after June 1, 1977; and

(36) persons employed in subsidized on-the-job training, work experience or public service employment as enrollees under the federal Comprehensive Employment and Training Act from and after March 30, 1978, unless the person has as of the later of March 30, 1978 or the date of employment sufficient service credit in the retirement system to meet the minimum vesting requirements for a deferred annuity, or the employer agrees in writing on forms prescribed by the director to make the required employer

contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal Comprehensive Employment and Training Act, or the person agrees in writing on forms prescribed by the director to make the required employer contribution in addition to the required employee contribution; and

(37) persons who are employed as full-time firefighters by the department of military affairs and as firefighters are members of the public employees police and fire fund.

Sec. 3. Minnesota Statutes 1986, section 352.85, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY; RETIREMENT ANNUITY.] Any person who is employed by the department of military affairs *other than as a full-time firefighter*, who is covered by the general employee retirement plan of the Minnesota state retirement system as provided in section 352.01, subdivision 23, who is ordered to active duty pursuant to section 190.08, subdivision 3, who elects this special retirement coverage pursuant to subdivision 4, who is required to retire from federal military status at the age of 60 years by applicable federal laws or regulations and who terminates employment as a state employee upon attaining that age shall be entitled, upon application, to a retirement annuity computed in accordance with section 352.115, subdivisions 2 and 3, without any reduction for early retirement pursuant to section 352.116, subdivision 1.

Sec. 4. Minnesota Statutes 1986, 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 who are county employees.

(o) Employees of an economic development authority created under sections 458C.01 to 458C.23.

(p) Employees of the department of military affairs of the state of Minnesota who are full-time firefighters.

Sec. 5. Minnesota Statutes 1986, section 353.01, subdivision 2b, is amended to read:

Subd. 2b. [EXCLUDED EMPLOYEES.] The following persons are excluded from the meaning of "public employee":

(a) Persons employed for professional services where such service is incidental to regular professional duties.

(b) Election officers.

(c) Independent contractors and their employees.

(d) Patient and inmate help in governmental subdivision charitable, penal and correctional institutions.

(e) Members of boards, commissions, bands and others who serve the governmental subdivision intermittently.

(f) Employees who hold positions of an essentially temporary or seasonal character, provided such employment does not continue for a period in excess of 120 working days in any calendar year. Immediately following the expiration of such 120 working days if such employees continue in public service and earn in excess of \$325 in any one calendar month, the department heads must then report all such employees for membership and must cause employee contributions to be made on behalf of such employees in accordance with section 353.27, subdivision 4, and they shall remain members until termination of public service.

(g) Part-time employees who receive monthly compensation not exceeding \$325, and part-time employees and elected officials whose annual compensation is stipulated in advance to be not more than \$3,900 per year, except that members shall continue their membership until termination of public service.

(h) Persons who first occupy an elected office after March 1, 1978, the compensation for which does not exceed \$325 per month.

(i) Emergency employees who are employed by reason of work caused by fire, flood, storm or similar disaster.

(j) Employees who by virtue of their employment are required to contribute to any other pension, relief or retirement fund established for the benefit of officers and employees of a governmental subdivision, except as an act of the legislature has specifically enabled participation by employees of a designated governmental subdivision in a plan supplemental to the public employees retirement association; provided that this clause shall not prevent a person from contributing to the public employees retirement association and also belonging to or contributing to another public pension fund for other service occurring during the same period of time.

(k) Police matrons employed in a police department of any city who are transferred to the jurisdiction of a joint city and county detention and corrections authority.

(l) Chaplains and nuns who have taken a vow of poverty as members of

a religious order.

(m) Full-time students who are enrolled and are regularly attending classes at an accredited school, college or university; provided, no person employed full time by a governmental subdivision shall be exempt under this paragraph.

(n) Resident physicians, medical interns and pharmacist interns who are serving in public hospitals.

(o) Appointed or elected officers, paid entirely on a fee basis, and who were not members on June 30, 1971.

(p) Nothing in Laws 1973, chapter 753 shall be interpreted to impair or revoke any option exercised under Laws 1963, chapter 793.

(q) Persons employed in subsidized on-the-job training, work experience or public service employment as enrollees under the federal Comprehensive Employment and Training Act from and after March 30, 1978, unless the person has as of the later of March 30, 1978 or the date of employment sufficient service credit in the retirement fund to meet the minimum vesting requirements for a deferred retirement annuity, or the employer agrees in writing on forms prescribed by the executive director to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal Comprehensive Training and Employment Act, or the person agrees in writing on forms prescribed by the executive director to make the required employer contributions in addition to the required employee contribution.

(r) Town, city or county assessors elected or appointed pursuant to chapter 273 who do not receive compensation in excess of \$325 per month from any one employing governmental subdivision or who are employed pursuant to an employment contract which sets forth the total compensation to be paid and the length of service, not to exceed three months in duration, required for the performance of the contract and which was entered into in advance of the commencement of employment.

(s) A person holding a part time adult supplementary vocational technical school license who renders part time teaching service in a vocational technical school if (1) the service is incidental to the person's regular nonteaching occupation; and (2) the applicable vocational technical school stipulates annually in advance that the part time teaching service will not exceed 300 hours in a fiscal year; and (3) the part time teaching service actually does not exceed 300 hours in a fiscal year.

(t) A person exempt from licensure pursuant to section 125.031.

(u) *A volunteer firefighter as defined in section 24.*

Sec. 6. Minnesota Statutes 1986, section 353.01, subdivision 10, is amended to read:

Subd. 10. [SALARY.] "Salary" means the periodical compensation of any public employee, before deductions for deferred compensation or supplemental retirement plans, and also means "wages" and includes net income from fees. Fees paid to district court reporters shall not be considered a salary. Lump sum annual leave payments and severance payments shall not be deemed to be salary. Prior to the time that all sick leave has been used, amounts paid to an employee pursuant to a disability insurance policy

or program where the employer paid the premiums shall be considered salary, and after all sick leave has been used, the payment shall not be considered salary. Workers' compensation payments shall not be considered salary. *Compensation paid to a volunteer firefighter as defined in section 24 may not be considered as salary.*

Sec. 7. Minnesota Statutes 1986, section 353.64, subdivision 1, is amended to read:

Subdivision 1. Any person who prior to July 1, 1961, was a member of the police and fire fund, by virtue of being a police officer or firefighter, shall as long as the person remains in either position, be deemed to continue membership in the fund. Any person who was employed by a governmental subdivision as a police officer and was a member of the police and fire fund on July 1, 1978 by virtue of being a police officer as defined by this section on that date shall be entitled, if employed by the same governmental subdivision in a position in the same department in which the person was employed on that date, to continue membership in the fund whether or not that person has the power of arrest by warrant after that date. Any other employee serving on a full-time basis as a police officer or firefighter on or after July 1, 1961, shall become a member of the public employees police and fire fund. Any employee serving on less than a full-time basis as a police officer shall become a member of the public employees police and fire fund only after a resolution is adopted by the governing body of the governmental subdivision employing the person declaring that the position which the person holds is that of a police officer. Any employee serving on less than a full-time basis as a firefighter, other than a volunteer firefighter, shall become a member of the public employees police and fire fund only after a resolution is adopted by the governing body of the governmental subdivision employing the person declaring that the position which the person holds is that of a firefighter. *A volunteer firefighter as defined in section 24 and any police officer or salaried firefighter who by virtue of that employment is required to contribute to any other pension, relief, or retirement fund established for the benefit of officers or employees of a governmental subdivision other than a volunteer firefighters relief association to which sections 69.771 to 69.776 apply shall not be a member of this fund.*

Sec. 8. Minnesota Statutes 1986, section 353.64, is amended by adding a subdivision to read:

Subd. 8. [PENSION COVERAGE FOR CERTAIN STATE MILITARY AFFAIRS DEPARTMENT FIREFIGHTERS.] A person who is employed as a full-time firefighter on or after the first day of the first payroll period after the effective date of this section by the department of military affairs of the state of Minnesota and who is not eligible for coverage under the agreement signed between the state and the secretary of the federal Department of Health and Human Services making the provisions of the federal Old Age, Survivors, and Disability Insurance Act applicable to state employees because the person's position is excluded from application under United States Code, title 42, sections 418(d)(5)(A) and 418(d)(8)(D) and section 355.07, is a member of the public employees police and fire fund and is considered to be a firefighter within the meaning of this section. The state department of military affairs shall make the employee contribution deduction from the salary of each full-time military affairs department firefighter as required by section 353.65, subdivision 2, shall make the employer contribution with respect to each firefighter as required

by section 353.65, subdivision 3, and shall meet the employer recording and reporting requirements in section 353.65, subdivision 4.

Sec. 9. Minnesota Statutes 1986, section 353.656, subdivision 3, is amended to read:

Subd. 3. [NONDUTY DISABILITY BENEFIT.] After June 30, 1973, Any member who becomes disabled after not less than five years of allowable service, before reaching the age of 55, because of sickness or injury occurring while not on duty as a police officer or firefighter, and by reason thereof of that sickness or injury the member is unable to perform duties as a police officer or firefighter, shall be entitled to receive a disability benefit. The benefit shall be in the same amount and paid in the same manner as if the member were 55 years of age at the date of disability and the benefit were paid pursuant to section 353.651. ~~Should~~ If a disability under this ~~clause occur~~ subdivision occurs after five but in less than ten years of allowable service, the disability benefit shall be the same as though the member had at least ten years service. For any member who is employed as a full-time firefighter by the department of military affairs of the state of Minnesota, allowable service as a full-time state military affairs department firefighter credited by the Minnesota state retirement system may be used in meeting the minimum allowable service requirement of this subdivision.

Sec. 10. Minnesota Statutes 1986, section 353.657, subdivision 2a, is amended to read:

Subd. 2a. [DEATH WHILE ELIGIBLE SURVIVOR BENEFIT.] If a member who has attained the age of at least 50 years and has credit for not less than ten years allowable service dies before public service has terminated, or if an employee who has filed a valid application for an annuity or disability benefit prior to termination of public service dies before the annuity or benefit has become payable, notwithstanding any designation of beneficiary to the contrary, the surviving spouse may elect to receive, a death while eligible survivor benefit. The benefit shall be in lieu of a refund with interest provided in section 353.32, subdivision 1, or survivor benefits otherwise payable pursuant to subdivisions 1 and 2. The benefit must be an annuity equal to the 100 percent joint and survivor annuity which the member could have qualified for on the date of death, computed as provided in sections 353.651, subdivisions 2 and 3, and 353.30, subdivision 3. The surviving spouse may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. Sections 353.34, subdivision 3, and 353.71, subdivision 2, apply to a deferred annuity payable under this subdivision. No payment shall accrue beyond the end of the month in which entitlement to such annuity has terminated. An amount equal to the excess, if any, of the accumulated contributions which were credited to the account of the deceased employee over and above the total of the annuities paid and payable to the surviving spouse shall be paid to the deceased member's last designated beneficiary or, if none, to the legal representative of the estate of such deceased member. Any member may request in writing that this subdivision not apply and that payment be made only to the designated beneficiary, as otherwise provided by this chapter. For a member who is employed as a full-time firefighter by the department of military affairs of the state of Minnesota, allowable service as a full-time state military affairs department firefighter credited by the Minnesota state retirement system may be used in meeting

the minimum allowable service requirement of this subdivision.

Sec. 11. [353B.01] [LOCAL GOVERNMENT CORRECTIONAL SERVICE RETIREMENT PLAN.]

Subdivision 1. [PLAN ADMINISTRATION; FUND.] The public employees local government correctional service retirement plan is a separate plan administered by the public employees retirement association. The association shall maintain a special fund known as the public employees local government correctional service retirement fund.

Subd. 2. [REVENUE SOURCES.] Member contributions under section 15, subdivision 1 or 3, and employer contributions under section 15, subdivision 1 or 3, and other amounts authorized by law, including any investment income or invested fund assets, must be deposited in the fund.

Subd. 3. [INVESTMENT.] The public employees local government correctional service retirement fund participates in the Minnesota postretirement investment fund. The amounts provided in section 353.271 must be deposited in that fund. The balance of any assets of the fund must be deposited in the Minnesota combined investment fund as provided in section 11A.14, if applicable, or otherwise under section 11A.23.

Subd. 4. [COLLECTION OF CONTRIBUTIONS.] The collection of member and employer contributions are governed by section 353.27, subdivisions 4, 7, 8, 9, 10, 11, 12, and 13.

Subd. 5. [FUND DISBURSEMENT RESTRICTED.] The public employees local government correctional service retirement fund and its share of participation in the Minnesota postretirement investment fund may be disbursed only for the purposes provided for in this chapter. The proportional share of the expenses of the association and any benefits provided in this chapter, other than benefits payable from the Minnesota postretirement investment fund, must be paid from the correctional service retirement fund. Retirement annuities, disability benefits, survivorship benefits, and any refunds of accumulated deductions may be paid only from the correctional service retirement fund after those needs have been certified by the executive director and the amounts withdrawn from the share of participation in the Minnesota postretirement fund under section 11A.18. The amounts necessary to make the payments from the correctional service retirement fund and the participation in the Minnesota postretirement investment fund are annually appropriated from those funds for those purposes.

Sec. 12. [353B.02] [CORRECTIONAL SERVICE EMPLOYEES.]

A local government correctional service employee is a person who:

(1) meets the definition of "essential employee" in section 179A.03, subdivision 7, excluding state employees, University of Minnesota employees, firefighters, peace officers subject to licensure under sections 626.84 to 626.855, employees of hospitals other than state hospitals, confidential employees, supervisory employees other than supervisory employees of correctional officers at correctional facilities or city or county jails, principals, and assistant principals;

(2) is employed by Dakota county, Hennepin county, Ramsey county, St. Louis county, or Washington county, if the county elects to participate under section 14; and

(3) is a public employee within the meaning of section 353.01, subdi-

visions 2 and 2a.

Sec. 13. [353B.03] [CORRECTIONAL SERVICE PLAN COVERAGE.]

Subdivision 1. [INITIAL COVERAGE.] A person who is a local government correctional service employee on June 30, 1988, is a member of the local government correctional service retirement plan and shall begin contributing to the plan on July 1, 1988.

Subd. 2. [SUBSEQUENT COVERAGE.] A person who becomes a local government correctional service employee after June 30, 1988, is a member of the local government correctional service retirement plan and shall contribute to the plan.

Subd. 3. [TRANSFER OF PRIOR COVERAGE.] A person described in subdivision 1 may transfer service from the public employees retirement association plan or the public employees police and fire fund to the correctional service retirement plan. The actuary retained by the legislative commission on pensions and retirement shall calculate the present value of the annuity for all service in the association and the present value of the retirement annuity for the same amount of service if covered under the correctional service retirement plan. To transfer coverage, the employee shall elect to transfer all public employees retirement association service and pay the difference between the present value in the association and the present value in the correctional service retirement plan. A decision to transfer coverage and payment of the difference must be made on or before June 30, 1989. No transfer of coverage back to the association is permitted.

Subd. 4. [RECOGNITION OF PRIOR SERVICE.] A member of the correctional service retirement plan who elects to purchase service pursuant to subdivision 3 and who had ten or more years of allowable service in the public employees retirement association before the purchase of service is considered to have met all ten years of allowable service eligibility requirements for survivor and retirement annuities payable from the correctional service retirement plan. In calculating the retirement annuity or survivor annuity, only the actual years of allowable service purchased pursuant to subdivision 3 may be used in addition to service as a local government correctional service employee credited after July 1, 1988.

Sec. 14. [353B.04] [LOCAL GOVERNMENT EMPLOYING UNIT PARTICIPATION OPTION.]

Dakota county, Hennepin county, Ramsey county, St. Louis county, or Washington county may elect to provide its correctional employees with retirement coverage by the local government correctional service retirement plan in lieu of retirement coverage by the public employees retirement association or the public employees police and fire fund. The election must be made on a form provided by the executive director of the public employees retirement association and, once made, is irrevocable for all local government correctional service employees employed by the county.

Sec. 15. [353B.05] [CORRECTIONAL SERVICE PLAN CONTRIBUTIONS.]

Subdivision 1. [MEMBER CONTRIBUTIONS.] Beginning with the first full pay period after July 1, 1988, after the effective date of the election to provide retirement coverage by the local governmental unit, or after becoming a local government correctional service employee, whichever is

later, in lieu of employee contributions payable under section 353.27, subdivision 2, a local government correctional service employee shall make an employee contribution in an amount equal to five percent of salary.

Subd. 2. [EMPLOYER CONTRIBUTIONS.] Beginning with the first full pay period after July 1, 1988, after the effective date of the election to provide retirement coverage by the local governmental unit, or after becoming a local government correctional service employee, whichever is later, in lieu of employer contributions payable under section 353.27, subdivision 3, the employer shall contribute for a local government correctional service employee an amount equal to five percent of salary.

Subd. 3. [ADJUSTMENT IN CONTRIBUTION RATES.] Beginning with the first full pay period after the actuarial valuation of the local government correctional service retirement plan prepared by the actuary retained by the legislative commission on pensions and retirement is filed with the executive director of the public employees retirement association, the member contribution rate is a percentage that equals one-half of the calculated total actuarial requirement of the plan, and the employer contribution rate is the balance of the calculated total actuarial requirement of the plan.

Sec. 16. [353B.06] [CORRECTIONAL SERVICE PLAN RETIREMENT ANNUITY.]

Subdivision 1. [ELIGIBILITY REQUIREMENTS.] After separation from public employment, an employee covered under section 12 who has attained the age of at least 55 years and has credit for not less than ten years of coverage in the local government correctional service plan is entitled, upon application, to a normal retirement annuity. In lieu of a normal retirement annuity, a retiring employee may elect to receive the optional annuity provided in section 353.30, subdivision 3.

Subd. 2. [AVERAGE SALARY BASE.] In calculating the annuity under subdivision 3, "average salary" means an amount equivalent to the average of the highest salary earned as a local government correctional employee upon which employee contributions were paid for any five successive years of allowable service.

Subd. 3. [ANNUITY AMOUNT.] The average salary as defined in subdivision 2, multiplied by two percent for each year of allowable service for the first ten years and 2.5 percent for each additional year of allowable service, determines the amount of the normal annuity. If a person has earned allowable service in the public employees retirement association or the public employees police and fire fund for performing services other than those of a local government correctional employee, the annuity representing such service must be computed in accordance with the coordinated formula under sections 353.29 and 353.30 or section 353.651, whichever applies.

Subd. 4. [ACCRUAL AND DURATION.] The annuity under this section begins to accrue as provided in section 353.29, subdivision 7, and must be paid for an additional 84 full calendar months or to the first of the month following the month in which the employee becomes age 65, whichever occurs first. After a recipient has received the annuity calculated under this formula for 84 full calendar months or to the first of the month following the month in which the employee becomes age 65, whichever occurs first, the benefit must be recomputed in accordance with the coordinated formula in sections 353.29 and 353.30, except that if this amount,

when added to the social security benefit based on state service the employee is eligible to receive at that time, is less than the benefit payable under subdivision 3, the retired employee must receive an amount payable under subdivision 3. When an annuity is reduced under this subdivision, any percentage of adjustments that have been applied to the original annuity under section 11A.18, before the reduction, must be compounded and applied to the reduced annuity.

Subd. 5. [MULTIPLE SERVICE LIMITATION.] A former employee who has both regular and local government correctional service must, if qualified, receive an annuity based on both periods of service, but no period of service may be used more than once in calculating the annuity.

Sec. 17. [353B.07] [AUGMENTATION IN CERTAIN CASES.]

Unless prior service has been transferred or unless a combined service annuity under section 356.30 has been elected, an employee who becomes a local government correctional employee after being a member of the public employees retirement association or the public employees police and fire fund is covered under section 353.71, subdivision 2, with respect to that prior service.

Sec. 18. [353B.08] [DISABILITY BENEFITS.]

Subdivision 1. [DUTY DISABILITY QUALIFICATION REQUIREMENTS.] A local government correctional employee who is less than 55 years of age and who becomes disabled and physically unfit to perform the duties of the position as a direct result of an injury, sickness, or other disability incurred in or arising out of any act of duty that renders the employee physically or mentally unable to perform the employee's duties, is entitled to a disability benefit based on covered service only in an amount equal to 45 percent of the average salary defined in section 16, subdivision 2, plus an additional 2.5 percent for each year of covered service in excess of 20 years.

Subd. 2. [NONDUTY DISABILITY QUALIFICATION REQUIREMENTS.] A local government correctional employee who after not less than five years of covered service, before reaching the age of 55, becomes disabled and physically unfit to perform the duties of the position because of sickness or injury occurring while not engaged in covered employment, is entitled to a disability benefit based on covered service. The disability benefit must be computed in the same manner as an annuity under section 16, subdivision 3, and as though the employee had at least ten years of covered correctional service.

Subd. 3. [OPTIONAL ANNUITY.] A disabled local government correctional employee may elect the normal disability benefit or an optional annuity as provided in section 353.30, subdivision 3. The election of an optional annuity must be made before the commencement of payment of the disability benefit and is effective on the date on which the disability benefit begins to accrue as provided in section 353.33, subdivision 2. Upon becoming effective, the optional annuity begins to accrue on the same date as provided for the disability benefit.

Subd. 4. [DISABILITY BENEFIT APPLICATION.] A claim or demand for a disability benefit must be initiated by written application in the manner and form prescribed by the executive director, filed in the office of the association, showing compliance with the statutory conditions qualifying the applicant for a disability benefit. A member or former member

who became disabled during a period of membership may file an application for disability benefits within three years following termination of local government correctional service, but not after that time has elapsed. This benefit begins to accrue the day following the commencement of disability, 90 days preceding the filing of the application, or, if annual or sick leave is paid for more than the 90-day period, from the date salary ceased, whichever is latest. No payment may accrue beyond the end of the month in which entitlement has terminated. If the disabilitant dies before negotiating the check for the month in which death occurs, payment must be made to the optional annuitant or beneficiary.

Subd. 5. [DISABILITY BENEFIT TERMINATION.] The disability benefit paid to a disabled local government correctional employee terminates at the end of the month in which the employee reaches age 62. If the disabled local government correctional employee is still disabled when the employee reaches age 62, the employee is deemed to be a retired employee and, if the employee had elected an optional annuity under subdivision 3, must receive an annuity in accordance with the terms of the optional annuity previously elected. If the employee had not elected an optional annuity under subdivision 3, the employee may elect either to receive a normal retirement annuity computed in the manner provided in section 16 or to receive an optional annuity as provided in section 353.30, subdivision 3, based on the same length of service as used in the calculation of the disability benefit. Election of an optional annuity must be made before attaining the age of 62 years. The reduction for retirement prior to age 65 as provided in section 353.30, subdivisions 1 and 1c, is not applicable.

Subd. 6. [RESUMPTION OF EMPLOYMENT.] Should a disabled employee resume a gainful occupation from which earnings are less than salary received at the date of disability or the salary currently paid for similar positions, or should the employee be entitled to receive workers' compensation benefits, the disability benefit must be continued in an amount that, when added to such earnings and workers' compensation benefits, does not exceed the salary received at the date of disability or the salary currently payable for the same employment position or an employment position substantially similar to the one the person held as of the date of the disability, whichever is greater.

Sec. 19. [353B.09] [SURVIVING SPOUSE OPTIONAL ANNUITY.]

If a member or former member of the local government correctional service retirement plan has attained the age of at least 50 years and has credit for not less than 30 years of allowable service, regardless of age attained, dies before the annuity or disability benefit has become payable, notwithstanding any designation of beneficiary to the contrary, the surviving spouse may elect to receive, in lieu of a refund with interest provided in section 353.32, subdivision 1, an annuity equal to the 100 percent joint and survivor annuity for which the member could have qualified had the member terminated service on the date of death. The surviving spouse may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. The annuity must be computed on the coordinated formula as provided in sections 353.29, subdivisions 2 and 3, and 353.30, subdivisions 1, 1a, 1b, and 1c. Sections 353.34, subdivision 3, and 353.71, subdivision 2, apply to a deferred annuity payable under this subdivision. No payment may accrue beyond the end of the month in which entitlement to the annuity has terminated. An amount equal to any

excess of the accumulated contributions that were credited to the account of the deceased employee over and above the total of the annuities paid and payable to the surviving spouse must be paid to the deceased member's last designated beneficiary or, if none, to the legal representative of the estate of the deceased member. A member may specify in writing that this subdivision does not apply and that payment must be made only to the designated beneficiary, as otherwise provided by this chapter.

Sec. 20. [353B.10] [SCOPE AND APPLICATION.]

The general provisions of chapter 353 apply to the local government correctional service retirement plan except where otherwise specifically provided in sections 11 to 20.

Sec. 21. Minnesota Statutes 1986, section 356.20, subdivision 2, is amended to read:

Subd. 2. [COVERED PUBLIC PENSION FUNDS.] (1) State employees retirement fund.

- (2) Public employees retirement fund.
- (3) Teachers retirement fund.
- (4) State patrol retirement fund.
- (5) Minneapolis teachers retirement fund association.
- (6) St. Paul teachers retirement fund association.
- (7) Duluth teachers retirement fund association.
- (8) Minneapolis employees retirement fund.
- (9) University of Minnesota faculty retirement plan.
- (10) University of Minnesota faculty supplemental retirement plan.
- (11) Judges retirement fund.
- (12) Any police or firefighter's relief association enumerated in section 69.77, subdivision 1a or 69.771, subdivision 1.
- (13) Public employees police and fire fund.
- (14) Minnesota state retirement system correctional officers retirement plan.
- (15) *Public employees local government correctional service retirement plan.*

Sec. 22. Minnesota Statutes 1986, section 356.30, subdivision 3, is amended to read:

Subd. 3. [COVERED FUNDS.] The provisions of this section shall apply to the following retirement funds:

- (1) state employees retirement fund established pursuant to chapter 352;
- (2) correctional employees retirement program, established pursuant to chapter 352;
- (3) unclassified employees retirement plan, established pursuant to chapter 352D;
- (4) state patrol retirement fund, established pursuant to chapter 352B;

- (5) legislators' retirement plan, established pursuant to chapter 3A;
- (6) elective state officers' retirement plan, established pursuant to chapter 352C;
- (7) public employees retirement association, established pursuant to chapter 353;
- (8) public employees police and fire fund, established pursuant to chapter 353;
- (9) teachers retirement fund, established pursuant to chapter 354;
- (10) Minneapolis employees retirement fund, established pursuant to chapter 422A;
- (11) Minneapolis teachers retirement fund association, established pursuant to chapter 354A;
- (12) St. Paul teachers retirement fund association, established pursuant to chapter 354A;
- (13) Duluth teachers retirement fund association, established pursuant to chapter 354A;
- (14) *public employees local government correctional service retirement plan established by sections 11 to 21.*

Sec. 23. Minnesota Statutes 1986, section 356.32, subdivision 2, is amended to read:

Subd. 2. [COVERED FUNDS.] The provisions of this section shall apply to the following retirement funds:

- (1) state employees retirement fund, established pursuant to chapter 352;
- (2) correctional employees retirement program, established pursuant to chapter 352;
- (3) state patrol retirement fund, established pursuant to chapter 352B;
- (4) public employees retirement fund, established pursuant to chapter 353;
- (5) public employees police and fire fund, established pursuant to chapter 353;
- (6) teachers retirement fund, established pursuant to chapter 354;
- (7) Minneapolis employees retirement fund, established pursuant to chapter 422A;
- (8) Duluth teachers retirement fund association, established pursuant to chapter 354A;
- (9) Minneapolis teachers retirement fund association, established pursuant to chapter 354A;
- (10) St. Paul teachers retirement fund association, established pursuant to chapter 354A;
- (11) *public employees local government correctional service retirement plan established by sections 11 to 21.*

Sec. 24. Minnesota Statutes 1986, section 424A.001, is amended by adding a subdivision to read:

Subd. 8. [VOLUNTEER FIREFIGHTER.] "Volunteer firefighter" means a person who is not scheduled to serve on a full-time basis, who serves on call for emergency duty as a regular active member of a municipal fire department or an independent nonprofit firefighting corporation, and who receives no compensation for that service or whose compensation for that service is not based on or is not a multiple of any rate of compensation being paid that person by the municipal fire department or independent nonprofit firefighting corporation for duty other than on call emergency duty.

Sec. 25. Minnesota Statutes 1986, section 424A.02, subdivision 9, is amended to read:

Subd. 9. [LIMITATION ON ANCILLARY BENEFITS.] Any relief association, including any volunteer firefighters relief association governed by section 69.77 or any volunteer firefighters division of a relief association governed by chapter 424, may only 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 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 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 ancillary benefit 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. 26. [EFFECTIVE DATE.]

Sections 2 to 7 are effective the first day of the first full pay period beginning after final enactment. Sections 11 to 21 are effective January 1, 1988. The remaining sections are effective the day following final enactment.

ARTICLE 2

VARIOUS NONSTATEWIDE PUBLIC SAFETY
PENSION PLAN CHANGES

Section 1. Minnesota Statutes 1986, section 424.04, is amended to read:
424.04 [MEMBERS.]

Subdivision 1. [PAID FIREFIGHTERS.] Every paid firefighter, as defined in section 424.03, shall be eligible to apply for membership in the relief association in the city in which the person is employed within the time and in the manner hereinafter set forth. Any firefighter desiring to become a member shall, not later than 90 days from the time when the person is regularly entered on the payrolls of the fire department, make written application for membership in the relief association on forms supplied by the association, accompanied by one or more physician's certificates as required by the bylaws of the association. After the application has been filed, the board of examiners of the association shall make a thorough investigation thereof and file their report with the secretary of the association. An application shall be acted upon by the association within six months from the date applicant was entered on the payroll of the fire department. ~~No paid firefighter who is more than 35 years of age when the application of the person is filed shall become a member of the relief association, except that this age limitation shall not apply on application for reinstatement in the association.~~

Subd. 2. [VOLUNTEER FIREFIGHTERS.] Every volunteer firefighter shall be eligible to apply for membership in the relief association and shall make written application for membership in the relief association on forms supplied by the association not later than 90 days from the date on which the person commenced service as a volunteer firefighter. No application from a person who is ineligible for membership pursuant to section 424A.01, subdivision 1 or 2 or who is excluded as constituting an unwarranted health risk pursuant to section 424A.01, subdivision 4 shall be approved by the association. The application shall be acted upon by the association within six months from the date on which the person commenced service as a volunteer firefighter. ~~No volunteer firefighter who is more than 35 years of age when appointed to serve in any capacity performing any firefighting duties with a fire department shall become a member of the relief association, except that this age limitation shall not apply on any application for reinstatement in the association.~~

Sec. 2. Laws 1949, chapter 406, section 5, subdivision 1, as amended by Laws 1953, chapter 127, section 5, subdivision 1, Laws 1969, chapter 560, section 1, and Laws 1983, chapter 88, section 8, is amended to read:

Subdivision 1. [PERSONS MINNEAPOLIS POLICE; PERSONS ENTITLED TO RECEIVE.] The association shall grant pensions payable from the ~~police~~ *police* pension fund in monthly installments, in the manner and for the following purposes:

(1) Any active member ~~of the age of 50 years or more, and any deferred pensioner who performs~~ *has performed* duty as a member of the police department of the city for ~~20~~ *five* years or more, upon his written application after retiring from ~~such duty, shall and reaching at least age 50 is entitled~~ to be paid monthly ~~during his lifetime~~ *a for life* a service pension equal to 32 units and an additional unit for each year of such service in excess of 20 years; but after completion of the 25th year of service the member shall

receive 40 units thereafter.

(2) Any active member who performs duty as a member of the police department of the city for 20 years or more who retires from such duty before he attains the age of 50 years, upon his written application after reaching the age of 50 years shall be paid monthly during his lifetime a pension equal to 32 units and an additional unit for each year of such service in excess of 20 years, but after completion of the 25th year of service the member shall receive 40 units thereafter eight units. For full years of service beyond five years, the service pension increases to a maximum of 40 units, as follows:

Sixth through 20th years _____ 1.6 units per year

21st through 24th years _____ 1.0 units per year

25th year _____ 4.0 units.

Fractional years of service may not be used in computing pensions.

(3) To (2) Any active member who shall, after ten five years' service but with less than 20 years' service with the police department of the city, become becomes superannuated so as to be permanently unable to perform his assigned duties, there shall be paid monthly during his lifetime for life a pension equal to 12 two units for ten five years of service and an additional two units for each completed full year of such service over ten five years and less than 20 years.

(4) To (3) Any active member not eligible for a service pension who, while a member of the police department of the city, becomes diseased or sustains an injury while in the service which permanently unfits him the member for the performance of police duties, there shall be paid monthly during his lifetime for life a pension equal to 32 units while so disabled.

Sec. 3. Laws 1949, chapter 406, section 5, subdivision 3, as amended by Laws 1953, chapter 127, section 5, subdivision 2, and Laws 1983, chapter 88, section 9, is amended to read:

Subd. 2. [PAYMENTS, MEMBER SEPARATED FROM THE SERVICE MINNEAPOLIS POLICE; REFUNDS PROHIBITED.] If an active member of the police department of the city is separated from the service after having completed not less than five years of service, under such circumstances that no pension benefits are payable to him or to his widow or to his children, the association shall return to him the sum of \$500, with an additional \$100 for each completed year of service in excess of five. In the event the member is reinstated to police duty all moneys paid him shall be returned to the pension fund within six months from the date of the reinstatement. Failure to do so relieves the association from any liability as to prior years of service credit as to reinstatement date. In case of the death of the member any such sums shall be paid to his heirs, executors, or administrators No refund of contributions may be made upon separation from service; provided, however, that if an active member dies leaving no surviving spouse or children the member's heirs, executors, or administrators are entitled to a refund of \$100 for each completed year of service.

Sec. 4. Laws 1949, chapter 406, section 6, subdivision 1, as amended by Laws 1953, chapter 127, section 6, and Laws 1967, chapter 820, section 1, is amended to read:

Subdivision 1. [MINNEAPOLIS POLICE SURVIVOR BENEFITS; PERSONS TO WHOM GRANTED.] The association shall grant pensions or benefits payable from the ~~police~~ ~~men's~~ police pension fund to any member or to any ~~widow~~ surviving spouse or to any child under 18 years of age or any member from the time and for the following purposes:

When a service pensioner, disability pensioner, or deferred pensioner, or an active member of a relief association dies, leaving

(1) a ~~widow~~ surviving spouse, who was ~~his~~ a legally married wife spouse, residing with ~~him~~ the decedent, and who was married while or prior to the time ~~he~~ the decedent was on the payroll of the police department; and who, in case the deceased member was a service or deferred pensioner, was legally married to the member at least one year before ~~his~~ retirement from the police department; or

(2) a child or children, who were living while the deceased was on the payroll of the police department or born within nine months after the decedent was withdrawn from ~~such~~ the payroll, the ~~widow~~ surviving spouse and child, or children, shall be entitled to a pension, or pensions, as follows:

(a) To the ~~widow~~ surviving spouse of a deceased active member or disabilitant, a pension of 18 units per month for life. If the surviving spouse remarries, the pension ceases as of the date of the remarriage.

(b) To the surviving spouse of a deceased deferred or retired member, a pension of ~~18~~ 4.5 units per month for ~~her~~ natural life; ~~but, plus an additional nine-tenths of one unit per month for every year of service of the decedent beyond five years to a maximum of 18 units. If she the surviving spouse remarry~~ remarries the pension ~~shall cease~~ ceases as of the date of the remarriage.

~~(b)~~ (c) To each child of a deceased active member or disabilitant, a pension of six units per month until the child reaches the age of 18 years; or in the case of a child in full-time attendance during the normal school year, in a school approved by the board of directors, until the child receives a bachelor's degree or attains the age of 22 years, whichever occurs first.

(d) To each child of a deceased deferred or retired member, a pension of 1.5 units per month plus three-tenths of one unit per month for every year of service of the decedent beyond five years to a maximum of six units until the child reaches the age of 18 years; or, in the case of a child in full-time attendance during the normal school year in a school approved by the board of directors, until the child receives a bachelor's degree or attains the age of 22 years, whichever is first.

The total pensions hereunder for the ~~widow~~ surviving spouse and children of a deceased member shall not exceed 32 units per month.

Sec. 5. Laws 1980, chapter 607, article 15, section 9, is amended to read:

Sec. 9. [MINNEAPOLIS POLICE AND FIRE; HEALTH AND WELFARE BENEFIT.] Notwithstanding any law to the contrary, any person who, after July 1, 1980, retires on a service pension with at least 20 years of service or a permanent disability benefit from the Minneapolis police relief association or the Minneapolis firefighters relief association shall be entitled on January 1, 1981, or upon the date of retirement, whichever occurs later, to receive a monthly health and welfare benefit unless the city of Minneapolis elects to retain the local relief association by the adoption

of a municipal resolution pursuant to section 4, subdivision 1. The monthly health and welfare benefit shall be an amount equal to one unit as defined pursuant to Laws 1963, Chapter 315, Section 1, Subdivision 3, for the Minneapolis police relief association, or Minnesota Statutes, Section 69.45, for the Minneapolis firefighters relief association, whichever is applicable. The monthly health and welfare benefit shall be paid to the retired member unless the retired member designates in writing that the amount be paid to an insurance carrier to defray the cost of any health or welfare related insurance coverage.

Sec. 6. Laws 1949, chapter 406, section 4, subdivisions 2 and 3, as amended by Laws 1953, chapter 127, section 4; Laws 1965, chapter 534, section 1; Laws 1967, chapter 825, section 1; Laws 1969, chapter 258, section 1; Laws 1973, chapter 272, section 1; Laws 1975, chapter 428, section 1; and Laws 1983, chapter 88, section 7, is amended to read:

Sec. 7. [MINNEAPOLIS, CITY OF; POLICEMEN'S PENSIONS.]

The policemen's pension fund shall be used only for the payment of:

- (a) Service, disability or dependency pensions;
- (b) Salaries of the secretary of the association in an amount not to exceed 30 percent of the base salary of a top-grade patrolman and of the president of the association in an amount not to exceed ten percent of the base salary of a top-grade patrolman;
- (c) Expenses of officers and employees of the association in connection with the protection of the fund;
- (d) All expenses of operating and maintaining the association;
- (e) Hospital and medical insurance for pensioners *who have completed 20 years or more of service or permanent disabilitants and widows surviving spouses of deceased active members, disabilitants, or service pensioners who have completed 20 years or more of service* of one unit per month, such one unit to be added to the pension otherwise provided for herein; provided that a pensioner or *widow surviving spouse* may in writing authorize a deduction from their pension for an insurance plan adopted by the association;
- (f) Health and welfare benefits of one unit per month in addition to other benefits for members who retire after July 1, 1980, *and have completed 20 years or more of service or members who are permanent disabilitants;* and
- (g) Other expenses authorized by law.

Sec. 7. Laws 1967, chapter 678, section 2, as amended by Laws 1971, chapter 807, section 2, and Laws 1983, chapter 74, section 1, is amended to read:

Sec. 2. [HIBBING POLICE; SURVIVING SPOUSES, CHILDREN; AMOUNT OF PENSION.] Notwithstanding any other provision of law or charter, pensions may be paid by the police relief association of the city of Hibbing to any surviving spouse or child under ~~46~~ 18 years of age of any pensioned and retired member of the police department, and to any surviving spouse or child under ~~46~~ 18 years of age of any member who dies while in the service of the police department of the city. The surviving spouse or child shall receive not more than the sums herein provided.

~~\$250 per month to the surviving spouse, and \$15 per month to each child under 16 years of age. Survivor benefits shall be the following percentages of the average salary of the deceased member during the last six months of employment by the police department:~~

- ~~(1) surviving spouse, 30 percent;~~
- ~~(2) surviving child under 18, 10 percent;~~
- ~~(3) maximum family benefit, 50 percent.~~

Where a surviving spouse and children reside together the money herein required to be paid to the children shall be paid to the surviving spouse for the support of the children; ~~but that money paid to the surviving spouse for the surviving spouse and children shall not exceed \$280 per month in all.~~ In the event of the death of both parents leaving a minor child or children under the age of ~~16~~ 18 years of age, entitled to a pension, the sums as may be necessary for the care, maintenance and education of the child or children may be paid to the legal guardian thereof, but not to exceed the ~~sum of \$280 per month to the children of any one police officer maximum family benefit.~~ In the event that surviving spouse remarries, he or she shall receive no further benefits under this law. The fund shall not be used for any other purpose than the payment of service, disability or dependency pensions, as herein provided, and for the relief of a sick, injured and disabled police officer. The word "member", as used in this act, shall include policewomen, police matrons and assistant police matrons.

Sec. 8. Laws 1977, chapter 169, section 1, subdivision 1a, as amended by Laws 1982, chapter 443, section 1, is amended to read:

Subd. 1a. [HIBBING, CITY OF; FIREFIGHTERS; SERVICE PENSIONS; INCREASE IN CERTAIN PENSIONS.] The Hibbing firefighters relief association shall pay to any retired fireman who retired prior to September 1, 1972, ~~\$200~~ \$300 per month in addition to any service pension payable pursuant to subdivision 1.

Sec. 9. Laws 1971, chapter 614, section 1, subdivision 2, as amended by Laws 1982, chapter 443, section 2, is amended to read:

Subd. 2. [HIBBING FIRE; DEPENDENCY PENSIONS.] When a pensioned and retired or active member of the association dies leaving

(1) A ~~widow~~ surviving spouse who was ~~his~~ the member's legally married wife spouse, residing with ~~him~~ the member, and who was married to ~~him~~ the member while or prior to the time ~~he~~ the member was on the payroll of the fire department; and who, in case the deceased member was a service pensioner, was legally married to the member at least three years before ~~his~~ retirement from the fire department; or

(2) A child or children who were living while the deceased was on the payroll of the fire department, or born within nine months after the decedent was withdrawn from the payroll of the fire department, the ~~widow~~ surviving spouse and the child or children shall be entitled to a pension or pensions based upon the following percentages of the average salary of the deceased member during the last six months of employment by the fire department, as follows:

(a) To the ~~widow~~ surviving spouse, ~~not to exceed the sum of \$250~~ 30 percent of average salary per month, as the bylaws of the association provide, for ~~her~~ natural life which amount may be applicable to ~~widows~~

surviving spouses already receiving pension payments before the effective date of the most recent amendment ~~hereto~~ which affects the amount if the bylaws should so provide; ~~provided, that~~. If ~~she~~ *the surviving spouse* shall remarry then the pension shall cease and terminate as of the date of ~~her~~ remarriage.

(b) To the child or children, if their ~~mother~~ *other parent* be living, a pension of ~~not to exceed \$25~~ *ten percent of average salary* per month for each child up to the time each child reaches the age of 18 years; provided, the total pensions hereunder for the ~~widow~~ *surviving spouse* and children of the deceased member shall not exceed ~~the sum of \$280~~ *50 percent of average salary* per month;

(c) A child or children of a deceased member receiving a pension or pensions hereunder shall, after the death of their ~~mother~~ *other parent*, be entitled to receive a pension or pensions in such amount as the board of trustees of the association shall deem necessary to properly support the child or children until they reach the age of 18 years; but the total amount of the pension or pensions hereunder for any child or children shall not exceed ~~the sum of \$280~~ *50 percent of average salary* per month.

Sec. 10. Laws 1967, chapter 751, section 2, is amended to read:

Sec. 2. [WEST ST. PAUL POLICE; SERVICE PENSION.]

Subdivision 1. [PENSION AMOUNT.] Notwithstanding Minnesota Statutes, Section 423.384, the service pension of a member of the ~~police~~ *police relief association* of the city of West St. Paul who is qualified for a pension in accordance with Section 423.384 *at the time of retirement* shall be one-half of the regular salary of a top grade ~~patrolman~~ *patrol officer* at the time the member retires.

Subd. 2. [SALARY DEFINED.] "Regular salary of a top grade patrol officer" includes the highest amount of longevity pay which is payable to a top grade patrol officer.

Subd. 3. [POSTRETIREMENT ADJUSTMENTS.] Service pensions must be adjusted in accordance with Minnesota Statutes, section 423A.01, subdivision 4.

Sec. 11. [DISSOLUTION OF CLIFTON VOLUNTEER FIREFIGHTERS RELIEF ASSOCIATION; TRANSFER OF ASSETS AND SERVICE CREDIT.]

Notwithstanding the provisions of Minnesota Statutes, section 424A.02, subdivisions 11 and 12, if the Clifton independent nonprofit firefighting corporation disbands and the Clifton volunteer firefighters relief association established as provided in Minnesota Statutes, chapter 424A, is dissolved, the assets of the Clifton volunteer firefighters relief association must be transferred to any volunteer firefighters relief association governed by Minnesota Statutes, chapter 424A, applicable to the township of Duluth, county of St. Louis. Upon the transfer of assets, the receiving volunteer firefighters relief association is the successor in interest for all claims for and against the Clifton volunteer firefighters relief association, except any claim against the relief association, the Clifton independent nonprofit firefighting corporation, or any person connected with either in a fiduciary capacity, based on any acts that were not done in good faith and that constituted a breach of the obligation as a fiduciary. As a successor in interest, the receiving volunteer firefighters relief association may assert

any applicable defense in any judicial proceeding that the Clifton volunteer firefighters relief association or the Clifton independent nonprofit firefighting corporation would have otherwise been entitled to assert.

Upon transfer of the assets of the Clifton volunteer firefighters relief association, a person with credit for service in the Clifton volunteer firefighters relief association must receive an equal amount of service credit in the receiving volunteer firefighters relief association.

Sec. 12. [MANKATO POLICE; ESCALATION OF CERTAIN BENEFITS.]

Notwithstanding Minnesota Statutes, section 423.384, or any other law, the Mankato police benefit association may amend its articles or bylaws to provide for computation of postretirement increases for retired members for whom there exists no equivalent rank in the public safety department, by the same percentage increase granted retired first class patrol officers in any year. The Mankato city council shall ratify the amendment as required by section 69.77, subdivision 2i, but the council may forego the actuarial valuation or estimate required by that subdivision.

Sec. 13. [MILLERVILLE FIREFIGHTERS RELIEF ASSOCIATION; PRIOR SERVICE IN SERVICE PENSION COMPUTATIONS.]

Notwithstanding any provision of Minnesota Statutes, sections 69.771 to 69.776 or chapter 424A to the contrary, the Millerville firefighters relief association may amend its bylaws to allow computation of service pensions utilizing a member's period of service as an active member of the municipal fire department during the period prior to incorporation of the relief association.

Sec. 14. [VIRGINIA FIREFIGHTERS' RELIEF ASSOCIATION; SURVIVING SPOUSES' BENEFITS.]

Notwithstanding any law to the contrary, the survivor benefit payable to a surviving spouse of a deceased member of the Virginia firefighters' relief association is increased by \$100 per month.

Sec. 15. [SAVINGS CLAUSE.]

Nothing in sections 2 to 6 impairs or diminishes the benefits paid to members, spouses, or children of a member of the Minneapolis police relief association or the entitlement that members, spouses, or children had to benefits before the effective date of sections 2 to 6.

Sec. 16. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment. Sections 2 to 6 and 15 are effective upon approval by the Minneapolis city council and compliance with Minnesota Statutes, section 645.021. Sections 7 to 9 are effective upon approval by the Hibbing city council and compliance with Minnesota Statutes, section 645.021. Section 10 is effective as approved by the governing body of the city of West St. Paul and if there is compliance with Minnesota Statutes, section 645.021, and the increase in service pensions payable due to section 10 is initially payable on January 1, 1988, and is applicable to any member of the West St. Paul police relief association who retired on or after February 1, 1985. Section 11 is effective upon approval by the Clifton independent nonprofit firefighting corporation and the approval of the governing body of the township of Duluth and compliance with Minnesota Statutes, section 645.021. Section 12 is effective upon approval by the Mankato city council and compliance with Minnesota

Statutes, section 645.021. Section 13 is effective upon approval by the governing body of the city of Millerville and compliance with Minnesota Statutes, section 645.021. Section 14 is effective upon approval by the Virginia city council and compliance with Minnesota Statutes, section 645.021.

ARTICLE 3

MINNEAPOLIS TEACHERS RETIREMENT FUND ASSOCIATION BENEFIT MODIFICATION AUTHORIZATION

Section 1. [MINNEAPOLIS TEACHERS RESTRUCTURING OF RETIREMENT BENEFITS; POSTRETIREMENT ADJUSTMENT MECHANISM.]

(a) *In accordance with Minnesota Statutes, section 354A.12, subdivision 4, approval is granted for the Minneapolis teachers retirement fund association to amend its articles of incorporation by repealing article IX, subsection (18), authorizing lump sum postretirement adjustments payable to retirees or beneficiaries.*

(b) *In accordance with Minnesota Statutes, section 354A.12, subdivision 4, if the repeal authorized by paragraph (a) occurs, approval is granted for the Minneapolis teachers retirement fund association to amend or make an addition to its articles of incorporation as provided in paragraphs (c) to (g).*

(c) *Article IX, subsection (11), authorizing formula retirement annuity benefits, may be amended to authorize all teachers who retired before June 1, 1985, other than persons receiving a money purchase annuity under article IX, subsection (3), receiving a C death benefit under article IX, subsection (4), item C, or receiving a total disability benefit under article IX, subsection (5), to receive as of the first day of the month following the effective date of the amendment a recomputed annuity determined according to the 1975 revised formula annuity without regard to the 30-year service limitation applicable to teachers who retired after May 1, 1974, and before June 1, 1985.*

(d) *Article IX, subsection (14) D, providing an annual automatic annuity increase of 1-1/2 percent to all annuitants who have been receiving an annuity for at least 24 months and who have attained the age of 65 may be amended to increase the annual automatic increase annuity to two percent per fiscal year on January 1, or July 1, whichever applies, and to extend eligibility for that increase annuity to all annuitants who have been receiving an annuity for at least 12 months, irrespective of the attained age of the annuitant.*

(e) *Article IX, subsection (14), may be amended by adding a provision authorizing an increase in the annuity of any annuitant who retired on or before July 1, 1986, in the amount of four percent of the annuity the member is otherwise eligible to receive on July 1, 1987, including any other increases granted as of that date under articles of incorporation amendments authorized by the section but excluding the annual automatic increase annuity payable under article IX, subsection (14), item D, on July 1, 1987, for each full year that the member has been retired and receiving an annuity, to a maximum of 20 percent.*

(f) *Article IX, subsection (14), may be amended by adding a provision authorizing payment, as of July 1, 1987, of an increase in a normal re-*

tiement annuity, joint and survivor annuity or term certain optional annuity of retired teachers of the positive dollar amount difference between a minimum normal retirement annuity equal to \$25 per month for each full year of teaching service, to a maximum of 30 years, and the amount of the normal retirement annuity, joint and survivor annuity or term certain optional annuity payable on June 1, 1987, to retired teachers who were members of the basic program, who ceased active teaching service in the city public schools, who are receiving a normal retirement annuity, and who have not withdrawn a portion of required member deposits upon applying for the normal retirement annuity. If the difference is not a positive dollar amount, no increase is payable and no reduction may be imposed. For persons to whom a remainder portion of a joint and survivor annuity or a term certain optional annuity is payable, a proportional increase is payable.

(g) Article IX may be amended by adding a new subsection providing for an investment related postretirement adjustment mechanism. An annual postretirement may be paid if there is any excess investment income. The determination must be made by the board of trustees in consultation with the actuary retained by the legislative commission on pensions and retirement. The fund has excess investment income if the time weighted total rate of return earned by the fund over the most recent three year fiscal year period has exceeded the rate of eight percent or the applicable postretirement interest rate assumption specified in Minnesota Statutes, section 356.215, subdivision 4d, whichever is greater. In determining the total rate of return, the board shall use the formula or formulas established by the state board of investment under Minnesota Statutes, section 11A.04, clause (11), and in effect on January 1, 1987. The amount by which the excess investment income exceeds the minimum interest rate must be expressed as a percentage and carried to four decimal places. An annual postretirement adjustment is payable to a person who is receiving an annuity under article IX, subsection (8), (9), or (11), or article XI, subsection (5), who is receiving a death benefit under article IX, subsection (4), or who is receiving a joint and survivor annuity or term certain optional annuity under article IX, subsection (2), clause (b) or (c), and who has received the annuity or benefit in the person's own right or in combination with the initial recipient of the annuity for at least 12 months as of the determination date. The determination date is June 30, and determinations must be made as soon as practicable after that date. The board of trustees shall determine the percentage amount of the postretirement adjustment payable, but the percentage amount may not exceed the amount by which the excess investment income exceeds the minimum interest rate. The board of trustees shall include in the provision criteria to govern the exercise of its discretion in determining the instances under which an annual postretirement adjustment of less than the full determined percentage is payable. The annual postretirement adjustment is payable on January 1 following the determination date and is payable for the duration of the annuity or benefit.

Sec. 2. [WITHDRAWAL OF AUTHORITY.]

The authority for the amendment of article IX of the articles of incorporation of the Minneapolis teachers retirement fund association adding subsection (18) to provide a lump sum postretirement adjustment to certain annuitants and survivor benefit recipients under Laws 1981, chapter 159, section 1, clause (1), is withdrawn.

Sec. 3. [EFFECTIVE DATE.]

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

ARTICLE 4

AUTHORIZATION OF PURCHASES OF PRIOR SERVICE

Section 1. [PURCHASE OF PRIOR SERVICE CREDIT AUTHORIZATION.]

Subdivision 1. [PURCHASE ELIGIBILITY.] Notwithstanding the limitations in Minnesota Statutes, section 353.36, subdivision 2, a person whose employment with the Roseau county highway department began in September 1961, but for whom no salary deductions were taken out for the public employees retirement association until June 1965, may purchase credit for the prior public service for which salary deductions were omitted by paying to the association. Eligibility to make the purchase of prior service credit expires on January 1, 1988.

Subd. 2. [PURCHASE PAYMENT AMOUNT.] For any person eligible to purchase credit for prior service as provided in subdivision 1, there must be paid to the public employees retirement association an amount equal to the present value, on the date of payment, of the amount of the additional retirement annuity that would be obtained by virtue of the purchase of the additional service credit, using the interest rate specified in Minnesota Statutes, section 356.215, subdivision 4d, and the applicable mortality table adopted for the public employees retirement association and assuming continuous future service in the Minnesota state retirement system until, and retirement at, the age at which the minimum requirements of the retirement association for normal retirement or retirement with an annuity unreduced for retirement at an early age, including Minnesota Statutes, section 356.30, are met with the additional service credit purchased, for the retirement association, and a future salary history that includes annual salary increases at the rate specified in Minnesota Statutes, section 356.215, subdivision 4d. The person requesting the purchase of prior service must establish in the records of the retirement fund or association proof of the service for which the purchase of prior service is requested. The manner of the proof of service must be in accordance with procedures prescribed by the executive director of the retirement association.

Subd. 3. [PAYMENT; CREDITING SERVICE.] Payment must be made in one lump sum, unless the executive director of the retirement association agrees to accept payment in installments over a period not to exceed three years from the date of the agreement, with interest at a rate deemed appropriate by the executive director. The period of allowable service may be credited to the account of the person only after receipt of full payment by the executive director.

Subd. 4. [OPTIONAL EMPLOYER PARTIAL PAYMENT.] Payment must be made by the person entitled to purchase prior service; however, the current or former employer of the person may, at its discretion, pay all or any portion of the payment amount that exceeds an amount equal to the employee contribution rates in effect for the retirement fund during the period or periods of prior service applied to the actual salary rates in effect during the period or periods of prior service, plus interest at the rate of six percent a year compounded annually from the date on which the contributions would otherwise have been made to the date on which the payment is made.

Sec. 2. [ELECTED OFFICIAL PRIOR CONTRIBUTIONS.]

Subdivision 1. [ELIGIBILITY.] A member of the public employees retirement association or public employees police and fire fund who has service before becoming a member as an elected official on which salary deductions were not taken for the fund may make payment of an amount representing prior member and employer contributions.

Subd. 2. [PAYMENT AMOUNT.] The amount of the payment representing prior member and employer contributions authorized by this section must be based on the member's annualized salary rate at the time the member applies to make the purchase. The amount must be determined by applying the member contribution percentage and the employer contribution percentage to the base annualized salary rate for each year of prior uncredited service. The member contribution percentage is four percent, and the employer contribution percentage is four percent.

Subd. 3. [SOURCE AND TIMING OF PAYMENT.] The member shall pay the amount representing prior member and employer contributions. At the discretion of the current or a former governmental subdivision employer of the member, the governmental subdivision may pay the amount representing the employer contribution. The payment must be made in a lump sum, within the later of one year of the effective date of this section or of one year of the person becoming a member of the public employees retirement association or of the public employees police and fire fund, whichever applies.

Subd. 4. [CREDITING OF PAYMENT.] The payment authorized by this section must be credited to the member's account in the Minnesota individual retirement plan established by article 5.

Subd. 5. [EXTENT OF SERVICE CREDIT.] The service associated with a payment of the amount representing prior member and employer contributions may not be credited for any purpose under Minnesota Statutes, chapter 353, other than for purposes of a member meeting the minimum service requirement for vesting for a retirement annuity under Minnesota Statutes, section 353.29, subdivision 1, 353.30, subdivision 1, 353.651, subdivision 1, or 356.30; or a survivor benefit under Minnesota Statutes, section 353.31, subdivision 1, 353.32, subdivision 1a, or 353.657, subdivision 2a; or a disability benefit under Minnesota Statutes, section 353.33, subdivision 1, or 353.656, subdivision 1 or 3, if the person has prior service credit in the public employees retirement association or the public employees police and fire fund. No service associated with a payment under this section may be used for benefit computation or benefit accrual purposes.

Sec. 3. [PURCHASE OF PRIOR SERVICE BY CERTAIN EMPLOYEES.]

Notwithstanding any other law, a person who was employed by the University of Minnesota hospitals pharmacy department and was a member of the Minnesota state retirement system from October 2, 1967, to March 31, 1968, and who was appointed to a faculty position in the University of Minnesota pharmacy department and became a member of the retirement plan for university faculty members on April 1, 1968, and who on September 23, 1974, returned to state service and to membership in the Minnesota state retirement system as an employee of the department of human services may withdraw his account balance from the retirement plan for university faculty members and may purchase service credit in the Minnesota state retirement system for the time spent as a university faculty member. A person covered by this section may purchase that service credit by paying to the Minnesota state retirement system, by January 1, 1988,

an amount equal to all employee, employer, and additional employer contributions at the rates in effect when the service as a faculty member was rendered plus interest at the rate of six percent a year from the year of purchase to the date payment is made.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 3 are effective the day following final enactment. Section 2 is effective July 1, 1987.

ARTICLE 5

MINNESOTA INDIVIDUAL RETIREMENT PLAN

Section 1. [353A.01] [PARTICIPATION IN MINNESOTA INDIVIDUAL RETIREMENT PLAN.]

The public employees retirement association may participate in the Minnesota individual retirement plan established by sections 16 to 25.

Sec. 2. [353A.02] [DEFINITIONS.]

Subdivision 1. [SCOPE.] Unless the context or subject matter clearly indicates otherwise, for purposes of this chapter, the following words and phrases have the meaning given in this section.

Subd. 2. [MINNESOTA INDIVIDUAL RETIREMENT PLAN.] "Minnesota individual retirement plan" means the program established by this chapter and sections 16 to 25.

Subd. 3. [REGULAR FUND.] "Regular fund" means the public employees retirement fund assets established by chapter 353.

Subd. 4. [COVERED EMPLOYMENT.] "Covered employment" means employment as:

(1) an employee of the hospital subsidiary corporation of a public corporation for delivery of health care and related services governed by chapter 246A;

(2) an employee of the league of Minnesota cities;

(3) an employee of the association of Minnesota counties;

(4) an elected governmental subdivision official; and

(5) an employee of a public ambulance service, or a privately operated ambulance service substantially supported with public funding, electing participation who is engaged in basic or advanced life support emergency medical services.

Subd. 5. [COVERED SERVICE.] "Covered service" means the regular provision of basic or advanced life support emergency medical services by a volunteer or largely uncompensated member of a public or privately operated ambulance service electing participation.

Subd. 6. [EXECUTIVE DIRECTOR.] "Executive director" means the executive director of the public employees retirement association appointed under section 353.03, subdivision 3a.

Subd. 7. [INELIGIBLE SERVICE.] "Ineligible service" means service by emergency medical service personnel who are covered by another public pension plan because of the emergency medical services employment or because of the provision of emergency medical services and service by

first response emergency medical service personnel.

Sec. 3. [353A.03] [COVERED PERSONS.]

The following persons are covered by and are members of the Minnesota individual retirement plan administered by the public employees retirement association:

(1) a person who was first employed in covered employment after June 30, 1987;

(2) a person who renders covered service on or after July 1, 1987; and

(3) a person who was first employed in covered employment before July 1, 1987, who had less than ten years of service as of the day following final enactment, and who transferred retirement coverage to the plan under section 4.

Sec. 4. [353A.04] [COVERAGE TRANSFER.]

Subdivision 1. [AUTHORITY FOR TRANSFER.] (a) A person who was first employed in covered employment prior to July 1, 1987, who had less than ten years of service as of the day following final enactment, may elect to transfer retirement coverage to the Minnesota individual retirement plan administered by the public employees retirement association.

(b) If a retirement coverage transfer is elected, the person's member contributions plus interest at the rate of five percent from the date that the contribution was made to the date of transfer and an equal dollar amount representing the matching employer contributions plus interest must be transferred from the public employees retirement fund to the plan. The employer contribution transfer may not include any amount representing an employer additional contribution or an employer contribution intended for the amortization of an unfunded actuarial accrued liability.

Subd. 2. [TRANSFER LIMITATION.] The coverage transfer election may first be exercised on January 1, 1988, and must be exercised before January 1, 1989.

Sec. 5. [353A.05] [CONTRIBUTIONS.]

Subdivision 1. [MEMBER CONTRIBUTIONS.] (a) No member contributions are required by persons in covered employment by or rendering covered service to a public or private ambulance service. Persons in covered employment by a public or private ambulance service may elect annually to make a member contribution, and the amount of the member contribution may not exceed the ambulance service employer contribution.

(b) All other persons in covered employment shall make a member contribution in an amount equal to four percent of the salary of the person. The contribution must be made by payroll deduction each pay period.

Subd. 2. [EMPLOYER CONTRIBUTIONS.] (a) The ambulance service contribution for persons rendering covered service to a public or private ambulance service must be a set dollar or portion of a dollar amount per unit. The amount per unit must be set periodically by the ambulance service in a uniform manner. The ambulance service may assign a unit value for the various types of ambulance service covered service.

(b) The ambulance service contribution for persons in covered employment by a public or private ambulance service must be a fixed percentage of salary. The percentage may be revised periodically and applied uniformly.

(c) *The employer of all other persons in covered employment shall make an employer contribution in an amount equal to four percent of the salary of each person in covered employment.*

Subd. 3. [MANNER OF EMPLOYER CONTRIBUTIONS.] (a) Ambulance service contributions may be made from any source of funds or revenue available to the ambulance service. Contributions must be remitted monthly.

(b) The employer of all other persons in covered employment shall make employer contributions from any available revenue sources. The employer contribution must be made each pay period.

Sec. 6. [353A.06] [ADMINISTRATION.]

Subdivision 1. [APPLICABLE LAW.] The provisions of this chapter and sections 16 to 25 must be administered by the public employees retirement association. The provisions of chapter 353 govern in all instances where not inconsistent with the provisions of this chapter and sections 16 to 25.

Subd. 2. [SUPPLEMENTAL FUND TRANSACTIONS.] If the redemption or purchase of shares from the supplemental fund is required to be made, the executive director shall make it.

Subd. 3. [SUPPLEMENTAL FUND PROSPECTUS.] The executive director shall annually distribute the prospectus of the supplemental fund prepared by the state board of investment, when received from the state board, to each person in covered employment or rendering covered service.

Subd. 4. [APPLICATIONS.] Payment of annuities, benefits, or withdrawals may be made only after receipt of an application signed by the person entitled to receive the annuity, benefit, or withdrawal or by the authorized representative of that person. The application may be made only on a form prescribed by the executive director.

Sec. 7. [353A.07] [TAX QUALIFICATION.]

The public employees retirement association shall adopt rules required for administration of the plan. The proposed rule must be formulated and adopted in accordance with applicable restrictions and standards of the Internal Revenue Code and rulings and regulations of the Internal Revenue Service in order to assure the tax exempt status of the plan as a qualified pension plan. Contributions by ambulance service personnel and by private ambulance service operators may be accepted only after the determination of plan qualification by the Internal Revenue Service.

Sec. 8. [353A.08] [NOT CONSIDERED A LOCAL PLAN.]

The plan may not be considered a local governmental pension plan or fund for purposes of section 356.25 or a supplemental pension plan for purposes of section 356.24.

Sec. 9. [354B.01] [PARTICIPATION IN MINNESOTA INDIVIDUAL RETIREMENT PLAN.]

The teachers retirement association may participate in the Minnesota individual retirement plan established by sections 16 to 25.

Sec. 10. [354B.02] [DEFINITIONS.]

Subdivision 1. [GENERAL.] Unless the context or subject matter clearly indicates otherwise, for purposes of this chapter, the following words and

phrases have the meaning given in this section.

Subd. 2. [MINNESOTA INDIVIDUAL RETIREMENT PLAN.] "Minnesota individual retirement plan" means the program established by this chapter and sections 16 to 25.

Subd. 3. [REGULAR FUND.] "Regular fund" means the teachers retirement fund assets established by chapter 354.

Subd. 4. [COVERED EMPLOYMENT.] "Covered employment" means employment as:

(1) an employee of the state university system in a position included in the definition of teacher under section 354.05, subdivision 2, other than that of an administrator covered by or eligible for coverage in the Minnesota state retirement system unclassified employees retirement plan; and

(2) an employee of the community college system in a position included in the definition of teacher under section 354.05, subdivision 2.

Subd. 5. [EXECUTIVE DIRECTOR.] "Executive director" means the executive director of the teachers retirement association appointed under section 354.06, subdivision 2.

Sec. 11. [354B.03] [COVERED PERSONS.]

The following persons are covered by and are members of the Minnesota individual retirement plan administered by the teachers retirement association:

(1) a person who was first employed in covered employment after June 30, 1987; or

(2) a person who was first employed in covered employment before July 1, 1987, who had less than ten years of service as of the day following final enactment, and who transferred retirement coverage to the plan under section 12.

Sec. 12. [354B.04] [COVERAGE TRANSFER.]

Subdivision 1. [AUTHORITY FOR TRANSFER.] (a) A person who was first employed in covered employment prior to July 1, 1987, and who had less than ten years of service as of the day following final enactment, may elect to transfer retirement coverage to the Minnesota individual retirement plan administered by the teachers retirement association.

(b) If a retirement coverage transfer is elected, the person's member contributions plus interest at the rate of five percent from the date that the contribution was made to the date of transfer and an equal dollar amount representing the matching employer contributions plus interest must be transferred from the teachers retirement fund or the state employees retirement fund to the plan. The employer contribution transfer may not include any amount representing an employer additional contribution or an employer contribution intended for the amortization of an unfunded actuarial accrued liability.

Subd. 2. [TRANSFER LIMITATION.] The coverage transfer election may first be exercised on January 1, 1988, and must be exercised before January 1, 1989.

Sec. 13. [354B.05] [CONTRIBUTIONS.]

Subdivision 1. [MEMBER CONTRIBUTIONS.] Persons in covered em-

ployment shall make a member contribution in an amount equal to four and one-half percent of the salary of the person. The contribution must be made by payroll deduction each pay period.

Subd. 2. [EMPLOYER CONTRIBUTIONS.] The employer of persons in covered employment shall make an employer contribution in an amount equal to four and one-half percent of the salary of the person in covered employment.

Subd. 3. [MANNER OF EMPLOYER CONTRIBUTIONS.] The employer of persons in covered employment shall make employer contributions from any available revenue sources. The employer contribution must be made each pay period.

Sec. 14. [354B.06] [ADMINISTRATION.]

Subdivision 1. [APPLICABLE LAW.] This chapter and sections 16 to 25 must be administered by the teachers retirement association. Chapter 354 governs in all instances where not inconsistent with this chapter and sections 16 to 25.

Subd. 2. [SUPPLEMENTAL FUND TRANSACTIONS.] If the redemption or purchase of shares from the supplemental fund is required to be made, the executive director shall make it.

Subd. 3. [SUPPLEMENTAL FUND PROSPECTUS.] The executive director shall annually distribute the prospectus of the supplemental fund prepared by the state board of investment, when received from the state board, to each person in covered employment.

Subd. 4. [APPLICATIONS.] Payment of annuities, benefits, or withdrawals may be made only after receipt of an application signed by the person entitled to receive the annuity, benefit, or withdrawal or by the authorized representative of that person. The application may be made only on a form prescribed by the executive director.

Sec. 15. [356A.01] [DEFINITIONS.]

Subdivision 1. [GENERALLY.] Unless the context or subject matter clearly indicates otherwise, each of the following words and phrases have the meaning given in the following subdivisions.

Subd. 2. [PLAN.] "Plan" means the Minnesota individual retirement plan governed by this chapter.

Subd. 3. [EXECUTIVE DIRECTOR.] "Executive director" means the executive director of the public employees retirement association or of the teachers retirement association, whichever applies.

Subd. 4. [SUPPLEMENTAL FUND.] "Supplemental fund" means the investment fund established and governed by section 11A.17.

Subd. 5. [EMPLOYEE SHARES.] "Employee shares" means any shares in the supplemental fund that were purchased with employee contributions as specified in section 5, subdivision 1, or section 13, subdivision 1.

Subd. 6. [EMPLOYER SHARES.] "Employer shares" means any shares in the supplemental fund that were purchased with employer contributions as specified in section 5, subdivision 2, or section 13, subdivision 2.

Subd. 7. [TOTAL SHARES.] "Total shares" means all of the employee shares and the employer shares credited to a participant in a defined

contribution plan.

Subd. 8. [VALUE.] "Value" means the cash value at the end of the month following receipt of an application for a withdrawal, a retirement annuity, a disability benefit, a death benefit, or a change in investment option, or, if no application is required for a transaction, the cash value at the end of the month in which the event which necessitated the transfer occurs.

Subd. 9. [BENEFICIARY.] "Beneficiary" means the natural person designated by an active member, former member, or retired member as the person to whom a death benefit as provided in section 20 is payable in the event of the death of the member.

Subd. 10. [SPOUSE.] "Spouse" means the person who was legally married to the active member, former member, or retired member at the time of the death of the member.

Subd. 11. [ACTUARIAL EQUIVALENT.] "Actuarial equivalent" means the condition of one annuity or benefit as having an equal actuarial present value as another annuity or benefit, or as having an equal present value as the cash value of the total shares, or applicable portion of the shares, to the credit of the active member, former member, or retired member, determined as of a given date, with any actuarial present value based on the appropriate mortality table and using the applicable preretirement or postretirement interest rate assumption specified in section 356.215, subdivision 4d.

Subd. 12. [TOTAL AND PERMANENT DISABILITY.] "Total and permanent disability" means the inability to engage in any substantial gainful employment by reason of any medically determinable physical or mental impairment that can be expected to be of long, continued, and indefinite duration, and that occurs during active employment or during a leave of absence with or without pay.

Subd. 13. [LONG, CONTINUED, AND INDEFINITE DURATION.] "Long, continued, and indefinite duration" means a period of disability that has been or is expected to be for a period of at least one year or a disability that is expected to result in death.

Subd. 14. [REMAINING SURVIVING RELATIVE IN PRIORITY.] "Remaining surviving relative in priority" means the following persons in the following order:

(1) the child or children of a surviving spouse if the surviving spouse has died;

(2) the parents of the surviving spouse if the member has not designated a beneficiary, the surviving spouse has died, and any surviving children have died or there is no surviving child;

(3) the surviving spouse of the deceased member if the member has designated a beneficiary and the designated beneficiary has died;

(4) the parents of the deceased member if the member has designated a beneficiary, the designated beneficiary has died, the surviving spouse has died, and any surviving children have died or there is no surviving child;

(5) the estate of the surviving spouse if the member has not designated a beneficiary, the surviving spouse has died, any surviving children have died, and the parents of the surviving spouse have died; and

(6) the estate of the deceased member if the member has designated a beneficiary, the designated beneficiary has died, the surviving spouse has died, any surviving children have died, and the parents of the deceased member have died.

Sec. 16. [356A.02] [INVESTMENT OPTIONS.]

Subdivision 1. [INITIAL OPTION.] A member of the plan may elect to purchase shares in one or a combination of the available accounts of the supplemental fund as provided in section 11A.17. The election must be made on forms provided by the executive director. If a combination of available accounts is elected, the portion of contributions to be used to purchase shares in each account must be specified. If no option is chosen, the total contributions must be used to purchase shares in the income share account.

Subd. 2. [ELECTION FOR PROSPECTIVE CONTRIBUTIONS.] A member of the plan may elect a choice of options for the subsequent purchases of shares. The election may be made no more frequently than twice in any calendar year. The election must be made in writing on a form provided by the executive director. After an election is made, and until a different election is made, the executive director shall purchase shares in the supplemental fund as indicated by the member. A change in the choice of investment option is effective as of the first day of the first pay period occurring 30 days after the receipt of the request for a change.

Subd. 3. [ELECTION FOR PRIOR CONTRIBUTIONS.] A member of the plan may elect a choice of options for the purchase of shares for prior contributions. If a change in election involves less than the total amount of prior contributions, the change must involve a minimum amount of \$1,000 for a transfer of options and a minimum amount of \$1,000 to remain in the previously selected investment option. A change in investment accounts may only involve a transfer from one account or several accounts to a single account. The transfer of amounts after a change in investment options for a member is effective as soon as the cash flow to an investment account as determined by the executive director of the state board of investment practically permits the transfer, but not later than the date occurring six months after the requested change.

Sec. 17. [356A.03] [CONTRIBUTIONS.]

The purchase of investment account shares for a member of the plan must be made from the member contributions and employer contributions under section 5 or 13.

Sec. 18. [356A.04] [RETIREMENT ANNUITY.]

Subdivision 1. [ELIGIBILITY.] A member of the plan who has attained the age of at least 58 years, has terminated covered employment, and has applied for a retirement annuity is entitled to retirement annuity as provided in subdivision 2.

Subd. 2. [ANNUITY AMOUNT.] The amount of the retirement annuity must be that equal monthly amount, payable for the life of the person, with an actuarially determined present value that is the actuarial equivalent of the cash value of the total shares to the credit of the member upon retirement based on the age of the retiring member.

Subd. 3. [ALTERNATIVE ANNUITY.] Instead of the retirement annuity under subdivision 2, a retiring member may elect an alternative annuity.

The alternative annuity must consist of a lump sum payment and a monthly annuity payable for the life of the person. The lump sum payment must be equal to one-half of the cash value of the total shares to the credit of the retiring member. The monthly annuity must be that equal monthly amount with an actuarially determined present value that is the actuarial equivalent of the cash value of the shares to the credit of the member remaining after the lump sum payment and based on the age of the retiring member.

Subd. 4. [OPTIONAL ANNUITY.] Instead of the retirement annuity under subdivision 2 or the alternative annuity under subdivision 3, a retiring member may elect an optional annuity. The optional annuity must be in the form of a joint and last survivor annuity with the spouse of the retiring member with an actuarially determined present value that is the actuarial equivalent of the cash value of the total shares, or of the shares remaining after the lump sum alternative annuity payment, whichever applies, to the credit of the member and based on the age of the retiring member and the age of the spouse of the retiring member.

Subd. 5. [APPLICATION.] The application for a retirement annuity, alternative annuity, or optional annuity must be on a form prescribed by the executive director.

Subd. 6. [ACCRUAL DATE.] A retirement annuity, alternative annuity, or optional annuity begins to accrue on the first day of the month occurring after the application is received or after covered employment is terminated.

Sec. 19. [356A.05] [DISABILITY BENEFITS.]

Subdivision 1. [ELIGIBILITY.] A member of the plan who has become totally and permanently disabled is entitled to receive a disability benefit.

Subd. 2. [DISABILITY BENEFIT AMOUNT.] A disabled member has the option to receive one of the following amounts:

- (1) the cash value of the total shares to the credit of the disabled member;*
- (2) a retirement annuity as provided in section 18, subdivision 2;*
- (3) an alternative annuity as provided in section 18, subdivision 3; or*
- (4) an optional annuity as provided in section 18, subdivision 4.*

A disability benefit paid in the form of a retirement annuity, alternative annuity, or optional annuity payable must be based on the person's age when the benefit amount begins to accrue.

Subd. 3. [NO OFFSET FOR OTHER BENEFITS.] A disability benefit may not be reduced by any amounts received or receivable from the workers' compensation program.

Subd. 4. [APPLICATION.] The application for a disability benefit must be on a form prescribed by the executive director.

Subd. 5. [ACCRUAL DATE.] A disability benefit begins to accrue on the first day of the month occurring after the date of disability or after the date of application, whichever is later.

Subd. 6. [VALUATION OF SHARES.] The cash value of shares for use in calculating any disability benefit must be determined as of the end of the month occurring after the authorization of payment of the benefit.

Subd. 7. [DISABLED PERSON RETURN TO SERVICE.] Upon a return to covered employment or covered service by a person who is receiving a

disability benefit in the form of an annuity, the benefit terminates and the person resumes membership in the plan. Upon termination of the benefit the balance of the required reserves to the credit of the person in the Minnesota postretirement investment fund supporting the disability benefit in the form of an annuity must be transferred back to the defined contribution plan and credited to the person in the supplemental fund. No amount of disability benefits may be repaid or be required to be repaid.

Sec. 20. [356A.06] [DEATH BENEFITS.]

Subdivision 1. [ELIGIBILITY.] A person who is the designated beneficiary of a deceased active, retired, or former member of the plan, if no beneficiary is designated or remains, or who is the remaining surviving relative in priority, if no designated beneficiary or surviving spouse remains, is entitled, upon application, to receive the death benefit. If no designated beneficiary, surviving spouse, or remaining surviving relative in priority is entitled to receive a death benefit, the estate of the deceased member of the plan is entitled, upon application, to receive the death benefit.

Subd. 2. [DEATH BENEFIT; BENEFICIARY.] The death benefit payable to a beneficiary is the cash value of the total shares to the credit of the deceased member.

Subd. 3. [DEATH BENEFIT; SURVIVING SPOUSE.] The death benefit payable to a surviving spouse must be one of the following amounts:

- (1) the cash value of the total shares to the credit of the deceased member;
- (2) a retirement annuity as provided in section 18, subdivision 2, beginning on or after attaining the age of 58 years; or
- (3) an alternative annuity as provided in section 18, subdivision 3, with the lump sum benefit portion payable immediately and the annuity portion beginning on or after attaining the age of 58 years.

Subd. 4. [DEATH BENEFIT; RELATIVE IN PRIORITY.] The death benefit payable to a surviving relative of the deceased member in priority must be the cash value of the total shares to the credit of the deceased member if no benefit as provided in subdivision 2 or 3 has been paid or is payable or the amount of the remaining required reserves for the death benefit provided in subdivision 3 if a surviving spouse benefit ceased upon the death of the surviving spouse. If more than one surviving relative in priority exists, the death benefit as provided in this subdivision is payable in equal shares.

Subd. 5. [APPLICATION.] The application for a death benefit must be on a form prescribed by the executive director.

Subd. 6. [ACCRUAL DATE.] A death benefit begins to accrue on the first day of the month occurring after the date on which the event resulting in eligibility occurs.

Subd. 7. [VALUATION OF SHARES; REQUIRED RESERVES.] The cash value of shares for use in calculating any death benefit must be determined as of the end of the month occurring after the date of death of the deceased member. The amount of required reserves remaining on the death of a retired member or surviving spouse is the balance of the present value of the retirement annuity of the person as of the most recent regularly occurring determination of present value of annuities and ben-

efits payable from the Minnesota postretirement investment fund as provided in section 11A.18 remaining after subtracting the amount of annuities payable since that regularly occurring determination.

Sec. 21. [356A.07] [POSTRETIREMENT ADJUSTMENTS.]

Subdivision 1. [TRANSFER OF REQUIRED RESERVES.] The required reserves for retirement annuities, disability benefits, and death benefits that are payable other than in the form of a lump sum payment as provided in this chapter must be transferred to the Minnesota postretirement investment fund as of the date of retirement. The required reserves must equal the cash value of the shares to the credit of the retired member, disabled member, or deceased member, on which any annuity or benefit payable other than in the form of a lump sum payment is based.

Subd. 2. [ADJUSTMENTS.] Annuity and benefit payments must be adjusted as provided in section 11A.18.

Sec. 22. [356A.08] [WITHDRAWAL OPTIONS.]

Subdivision 1. [RESTRICTION.] A withdrawal option is restricted to a person who was a member of the plan, who terminated covered employment or covered service, and who has allowed the minimum waiting period of 30 days following termination to elapse.

Subd. 2. [WITHDRAWAL.] A person who was a member of the plan, who terminated covered employment or covered service, and who has allowed the minimum waiting period of 30 days following termination without reemployment in covered employment to elapse may, upon application, withdraw all or a portion of the cash value of the total shares to the credit of the former member instead of leaving those shares on deposit in the supplemental fund for a retirement annuity.

Subd. 3. [REFUND REPAYMENT.] A person who resumes covered employment and who has taken a withdrawal benefit as provided in subdivision 2 may repay the withdrawal benefit and restore any available rights provided by this chapter. The amount to be repaid is an amount equal to the cash value of the total share that was withdrawn plus interest at the rate of 6.5 percent a year compounded annually from the date on which the withdrawal was taken until the date on which the withdrawal amount is repaid. Repayment must be made in a single lump sum payment.

Sec. 23. [356A.09] [UNCOLLECTED AMOUNTS.]

If no beneficiary, surviving spouse, remaining surviving relative in priority, or estate has made application for a death benefit within ten years from the date of death of the member of the plan, or if a former member of the contribution plan does not make application for a retirement annuity before the date on which the person would attain the age of 71 years or the date occurring five years from the termination of covered service, whichever is later, the cash value of the total shares to the credit of the deceased member or the former member, whichever is applicable, cancels to the credit of the administering retirement plan.

Sec. 24. [356A.10] [SINGLE INSTALLMENT PAYMENTS.]

A retirement annuity disability benefit or survivor benefit payable monthly from the plan may be paid by a single installment at the beginning of a calendar year for the monthly annuities or benefits which accrued in the previous year. Single installment payments are payable when requested by

the recipient and approved by the executive director.

Sec. 25. [356A.11] [ADMINISTRATIVE EXPENSES.]

Two percent of the dollar amount of a member contribution and two percent of the dollar amount of an employer contribution paid to the plan must be deducted before the purchase of investment shares to defray the administrative expenses of the plan. The administrative expense deduction must be credited to the administering defined benefit retirement fund.

Sec. 26. [EFFECTIVE DATE.]

Sections 1 to 25 are effective June 30, 1987.

ARTICLE 6

PUBLIC PENSION PLAN ASSET USE LIMITATION

Section 1. [356.615] [LIMITATION ON USE OF PUBLIC PENSION PLAN ASSETS.]

(a) Money held by or credited to a public pension plan as assets, including employer and employee contributions, state aid, appropriations from the state or a governmental subdivision, and accrued earnings on investments, constitutes a dedicated fund. The dedicated fund must be used exclusively to pay retirement annuities, service pensions, disability benefits, survivor benefits, refunds of contributions or other benefits provided under the benefit plan document or documents governing the public pension plan, and to pay reasonable administrative expenses approved by the governing board of the public pension plan or by another appropriate authority. No assets of a public pension plan may be loaned or transferred to the state or a governmental subdivision or be used to amortize an unfunded actuarial accrued liability in another public pension plan, whether or not the plan providing the assets consolidates or has consolidated with the plan receiving the assets. Nothing in this section prohibits a public pension plan or the state board of investment from investing the assets of a plan as authorized by law, including the investment of the assets of public pension plans by the state board of investment in a commingled investment fund.

(b) A public pension plan for purposes of this section means a pension plan or fund specified in section 356.20, subdivision 2, or 356.30, subdivision 3, or a retirement or pension plan or fund, including a supplemental retirement plan or fund, established, maintained, or supported by a governmental subdivision or public body whose revenues are derived from taxation, fees, assessments, or other public sources.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment.

ARTICLE 7

VARIOUS MISCELLANEOUS RETIREMENT MODIFICATIONS

Section 1. [PENSION SALARY AND SERVICE CREDIT FOR CERTAIN PERSONS.]

Subdivision 1. [ENTITLEMENT.] A person who was an employee of Ramsey county and a member of the public employees retirement association, who suffered an illness or injury entitling the person to workers' compensation benefits during the five successive years before the date on

which the person would have attained normal retirement age under Minnesota Statutes 1986, section 353.29, subdivision 1, or 353.30, subdivision 1a, who was granted an authorized leave of absence by Ramsey county, and who retired between June 26, 1986, and January 1, 1987, is entitled to additional credit from the public employees retirement association for additional salary under subdivision 2 and additional service under subdivision 3 and to a recalculation by the public employees retirement association of the retirement annuity under subdivision 4.

Subd. 2. [CREDIT FOR ADDITIONAL SALARY.] *The additional salary for the period of the authorized leave of absence is the portion or multiple of the average salary on which deductions were made during the last six months of public service preceding the authorized leave of absence.*

Subd. 3. [CREDIT FOR ADDITIONAL ALLOWABLE SERVICE.] *The additional allowable service is any period of authorized leave of absence resulting from the qualifying injury or illness, not to exceed 30 months, for which the person made payments to the public employees retirement association under Minnesota Statutes 1986, section 353.01, subdivision 16, paragraph (3).*

Subd. 4. [RETIREMENT ANNUITY RECALCULATION.] *If the person obtains credit for additional salary and allowable service, the public employees retirement association shall recalculate the person's retirement annuity on the basis of any greater final average salary and the additional service and shall pay any difference between the old annuity and the recalculated annuity retroactively to the date of the person's retirement. Any retroactive amounts must be paid as soon as practicable.*

Sec. 2. [POSTRETIREMENT ADJUSTMENT FOR CERTAIN RETIRED TEACHER.]

Subdivision 1. [RETIREMENT EFFECTIVE DATE.] *In order to determine the effective date of retirement for the purposes of paying postretirement adjustments under Minnesota Statutes, section 11A.18, an annuitant from the teachers retirement association who terminated employment with the Roseau school district on June 30, 1982, and whose application for retirement was postmarked July 1, 1982, shall be deemed to have retired effective July 1, 1982.*

Subd. 2. [APPROPRIATION.] *\$20,320.35 is appropriated from the teachers retirement fund to the Minnesota postretirement investment fund to make a retroactive payment on July 1, 1987, of the adjustments an annuitant described in subdivision 1 would have received from January 1, 1984, to July 31, 1987, and to fund the reserves necessary to support an adjusted benefit for the annuitant for the future.*

Subd. 3. [ADMINISTRATIVE HEARING.] *The teachers retirement association shall hold an administrative hearing under Minnesota Statutes, sections 14.57 to 14.62, to determine the date on which the annuitant described in subdivision 1 mailed the application for retirement to the teachers retirement administration. The hearing must be held within 60 days of the effective date of this section.*

Subd. 4. [EFFECT OF HEARING.] *Subdivisions 1 and 2 are effective if the administrative hearing required by subdivision 3 results in a finding of fact that the annuitant described in subdivision 1 mailed the application for retirement to the teachers retirement association on or before June 30, 1982.*

Sec. 3. [ALBANY COMMUNITY HOSPITAL EMPLOYEES.]

Subdivision 1. [REFUND OF CONTRIBUTIONS.] A member of the public employees retirement association who was employed by the Albany community hospital on the date the hospital was taken over by a private corporation or organization is entitled upon application to be paid a refund of accumulated employee and employer contributions made by or on behalf of the employee to the association, plus interest on those contributions at the rate of six percent a year. If an employee has previously received a refund of employee contributions, only the accumulated employer contributions plus interest may be refunded. No employer additional contributions may be refunded. A refund of contributions may be made only to a federal income tax qualified individual retirement account established by or on behalf of the person.

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 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 the employee's eligibility for a deferred annuity by repaying the amount refunded, including any interest received, to the association, and any deferred annuities augmentation may be computed only from the date of the refund repayment.

Subd. 3. [DEADLINE.] Refunds must be paid or options must be exercised and repayments of refunds made by July 1, 1988.

Sec. 4. [CANBY COMMUNITY HOSPITAL EMPLOYEES.]

Subdivision 1. [REFUND OF CONTRIBUTIONS.] A member of the public employees retirement association who was employed by the Canby community hospital district No. 1 on the date the hospital was taken over by a private corporation or organization and whose public employment was thus terminated, may, by filing a valid application, elect to be paid a refund of accumulated employee and employer contributions made by or on behalf of the employee to the association, plus interest on those contributions at the rate of six percent a year. If an employee has previously received a refund of employee contributions, only the accumulated employer contributions plus interest may be refunded. No employer additional contributions may be refunded. A refund of contributions may be made only to a federal income tax qualified individual retirement account established by or on behalf of the person.

Subd. 2. [DEADLINE.] Refunds must be paid within 90 days of exercise of the option. Options must be exercised by July 1, 1988.

Sec. 5. [STEARNS COUNTY HISTORICAL SOCIETY EMPLOYEE.]

Notwithstanding the amendment of section 353.01, subdivision 2a, by Laws 1986, chapter 458, section 11, which excluded county historical society employees not employed by the county from membership in the public employees retirement association, an employee of the Stearns county historical society who was born on April 2, 1923, and who was a society employee on March 26, 1986, may elect to retain membership in and retirement coverage by the public employees retirement association. Notice of intent to retain membership must be given to the association within 60

days after the effective date of this section. Any contributions refunded under Laws 1986, chapter 458, section 33, on behalf of the employee must be repaid with interest at the rate of 6.5 percent a year, compounded annually, to the association within the 60-day period.

Sec. 6. [ST. PAUL TEACHERS RETIREMENT FUND ASSOCIATION BYLAW AMENDMENT.]

In accordance with Minnesota Statutes, section 354A.12, subdivision 4, approval is granted for the St. Paul teachers retirement fund association to amend its bylaws as follows:

(1) article IV of the bylaws, section 4, paragraph 1, clause (a), governing the payment of service and deferred pensions, may be amended by removing any limitation on employment as a retired member in any capacity by the city of St. Paul; and

(2) article IV of the bylaws, section 4, paragraph 1, governing the payment of service and deferred pensions, may be amended by adding clause (c) to provide that any person who was on a leave of absence from independent school district No. 625 on January 1, 1987, who was employed by the city of St. Paul while on that leave before January 1, 1987, and who applied for, but withdrew, an application for retirement with the fund association before January 1, 1987, is considered to have filed a valid application for retirement on January 1, 1987, in the form of the previously filed application and is eligible to be paid a retirement allowance retroactive to January 1, 1987.

Sec. 7. [EFFECTIVE DATE.]

Sections 1 to 6 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to retirement; modifying various statewide public safety pension plan provisions; modifying various nonstatewide public safety pension plan provisions; authorizing modifications in Minneapolis teacher retirement fund association benefit plan; authorizing various purchases of prior service credit; establishing a Minnesota individual retirement plan; limiting the uses of public pension plan assets; authorizing various miscellaneous retirement benefit modifications; amending Minnesota Statutes 1986, sections 69.80; 352.01, subdivision 2B; 352.85, subdivision 1; 353.01, subdivisions 2a, 2b and 10; 353.64, subdivision 1, and by adding a subdivision; 353.656, subdivision 3; 353.657, subdivision 2a; 356.20, subdivision 2; 356.30, subdivision 3; 356.32, subdivision 2; 424.04; 424A.001, by adding a subdivision; and 424A.02, subdivision 9; Laws 1949, chapter 406, section 4, subdivisions 2 and 3, as amended, section 5, subdivisions 1 and 3, as amended, and section 6, subdivision 1, as amended; Laws 1967, chapter 678, section 2, as amended, chapter 751, section 2; Laws 1971, chapter 614, section 1, subdivision 2, as amended; Laws 1977, chapter 169, section 1, subdivision 1a, as amended; and Laws 1980, chapter 607, article 15, section 9; proposing coding for new law in Minnesota Statutes, chapter 356; proposing coding for new law as Minnesota Statutes, chapters 353A; 353B; 354B; and 356A."

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

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

H.F. No. 1083: A bill for an act relating to government liability; authorizing municipal insurers to settle tort claims; clarifying that instrumentalities of municipalities incorporated as nonprofit corporations may be included in the self insurance pool; amending Minnesota Statutes 1986, sections 466.06; 466.08; and 471.98, subdivision 2.

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

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

H.F. No. 170: A bill for an act relating to firearms; allowing ammunition manufacturers to possess machine guns for ammunition testing purposes; permitting certain licensed dealers and manufacturers to own or possess machine guns and short-barreled shotguns for certain purposes; amending Minnesota Statutes 1986, section 609.67, subdivisions 3 and 4.

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

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

S.F. No. 854: A bill for an act relating to government data practices; giving the department of energy and economic development access to certain employment data; amending Minnesota Statutes 1986, section 268.12, subdivision 12.

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

Page 1, line 14, strike "shall be" and insert "are"

Page 1, line 15, strike "not on individuals"

Page 1, line 16, strike "shall" and insert "may"

Page 1, line 17, strike "pursuant to" and strike "This" and insert "These"

Page 1, line 18, strike "private"

Page 2, line 32, delete "Minnesota"

Page 2, line 33, delete "*or its successor agency for its internal use only*"

Page 2, line 34, delete "*shall*" and insert "*may*" and delete "*but not private data on*"

Page 2, line 35, delete "*individuals*" and delete "*subdivisions 9 and 12*" and insert "*subdivision 9, for its internal use only; when received by the department of energy and economic development, the data remain nonpublic data*"

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

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

S.F. No. 261: A bill for an act relating to liquor laws; eliminating vicarious criminal liability for the employer of an individual who violates a liquor law; reenacting certain amendments to the dram shop act; providing for

liability of professional review organizations; amending Minnesota Statutes 1986, sections 145.63; 340A.501; and 340A.801, subdivision 1; repealing Minnesota Statutes 1986, section 340A.801, subdivision 5.

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

Page 3, after line 12, insert:

"Sec. 4. [EFFECT OF OTHER AMENDMENTS TO CHAPTER 340A.]

Notwithstanding Minnesota Statutes, section 645.26, subdivision 3, if a law amending Minnesota Statutes 1986, chapter 340A, is enacted by the 1987 legislature, the law prevails over article I, section 1, of this act, regardless of its date of final enactment."

Renumber the sections in sequence

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

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

H.F. No. 141: A bill for an act relating to liability; authorizing the elimination or limitation of a director's personal liability to a cooperative association or its members; exempting certain directors, members, and agents of nonprofit corporations from civil liability; exempting certain members of hospital district boards from certain civil liability; amending Minnesota Statutes 1986, sections 317.201; and 447.32, by adding a subdivision; and proposing coding for new law in Minnesota Statutes, chapter 308.

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

Page 1, line 16, delete "*Except as otherwise provided in this section,*"

Page 2, line 15, after the comma, insert "*or who serves without compensation as a fire chief of a nonprofit firefighting corporation or municipal volunteer fire department,*"

Page 2, line 18, delete "*or*" and after "*agent*" insert "*or fire chief*"

Page 2, line 33, delete "*shall be construed to limit*" and insert "*limits*"

Page 2, line 36, before the period, insert "*, nor the liability of a municipality arising out of the performance of firefighting or related activities*"

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

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

S.F. No. 801: A bill for an act relating to waters; changing the posting and publication of notice requirements for aeration operations by a permittee of the commissioner of natural resources; providing an exclusion from government tort liability; amending Minnesota Statutes 1986, sections 3.736, subdivision 3; and 378.22, subdivisions 2 and 3, and by adding a subdivision.

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

Page 3, line 4, before the period, insert "*provided that there has been compliance with the posting requirements of section 378.22, subdivision 2*"

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

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

S.F. No. 787: A bill for an act relating to human services; providing for eligibility requirements for receiving medical assistance and general assistance medical care; allowing recovery of benefits paid after death of recipient; requiring assignment of benefits; providing services for pregnant women; allowing certain agencies to collect personal property by affidavit; appropriating money; amending Minnesota Statutes 1986, sections 256B.02, subdivision 8; 256B.06, subdivision 1, and by adding a subdivision; 256B.15; 256B.17, subdivisions 4 and 5; 256B.35, subdivisions 1 and 2; 256D.03, subdivision 3, and by adding a subdivision; and 524.3-1201; repealing Minnesota Statutes 1986, sections 256B.07; and 256D.051, subdivision 12.

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

Page 13, line 27, after the period, insert "*A claim against the estate of a surviving spouse who did not receive medical assistance, for medical assistance rendered for the predeceased spouse, is limited to the value of the assets of the estate that were marital property or jointly-owned property at any time during the marriage.*"

Page 13, lines 33 to 36, delete the new language

Pages 16 and 17, delete section 11

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete everything after the semicolon

Page 1, line 8, delete everything before "appropriating"

Page 1, line 12, after the semicolon, insert "and"

Page 1, line 13, delete "and 524.3-1201;"

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

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

H.F. No. 1207: A bill for an act relating to real property; altering certain redemption periods; amending Minnesota Statutes 1986, section 580.23, subdivision 2.

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

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

S.F. No. 1253: A bill for an act relating to human services; providing training of welfare fraud prosecutors and investigators; providing staff for fraud control functions; defining amounts of assistance indirectly paid;

providing for joint trials; changing the date of payment of certain periodic support to the assistance unit; regulating certain property transfers; providing for incorrect assistance amounts recovered; appropriating money; amending Minnesota Statutes 1986, sections 256.98; 256D.05; and 393.07, subdivision 10.

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

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 1470: A bill for an act relating to elections; changing precinct caucus dates and procedures; changing the date of the state primary; amending Minnesota Statutes 1986, sections 202A.14, subdivision 1; 202A.18, subdivision 2; 204B.21, subdivision 1; 204B.33; and 204D.03, subdivision 1.

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

Page 2, line 7, strike "half" and insert "quarter"

Page 2, line 8, after the period, insert "*Election of delegates and alternates may begin one-half hour after the convening of the caucus.*"

Pages 2 and 3, delete sections 3 to 5

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete everything after the semicolon

Page 1, line 4, delete "primary;"

Page 1, line 5, after the first semicolon, insert "and" and delete the second semicolon and insert a period

Page 1, delete lines 6 and 7

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

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

H.F. No. 234: A bill for an act relating to employment; establishing unpaid leave of absences for new parents; setting conditions on return from leave; creating a cause of action; prohibiting cost of parental leave from increasing unemployment insurance experience rating; amending Minnesota Statutes 1986, section 268.06, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 181.

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

Delete everything after the enacting clause and insert:

"Section 1. [181.93] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 1 to 6, the following terms have the meanings given to them in this section.

Subd. 2. [EMPLOYEE.] "Employee" means a person who performs services for hire, whether full time or part time, for an employer, unless the services are performed by an independent contractor.

Subd. 3. [EMPLOYER.] "Employer" means a person or entity which employs 21 or more individuals at a single site to perform a service for hire and includes individual, corporation, partnership, association, non-profit organization, group of persons, state, county, town, city, school district, or other governmental subdivision.

Sec. 2. [181.94] [PARENTING LEAVE.]

Subdivision 1. [ONE-YEAR LEAVE; BIRTH OR ADOPTION.] An employer must grant an unpaid leave of absence to an employee who is a natural or adoptive parent in conjunction with the birth or adoption of a child. The length of the leave is determined by the employee, but may not exceed six weeks. The length of an additional leave may be negotiated between the employee and employer.

Subd. 2. [30-DAY LEAVE; MISCARRIAGE; DEATH.] An employer must grant an unpaid leave of absence of up to 30 days to an employee who is a prospective or new parent in conjunction with a miscarriage or stillbirth during the pregnancy or neonatal death within 90 days of birth.

Subd. 3. [START OF LEAVE.] The employee's leave, with at least four weeks advance notice, begins at a time requested by that employee. The employer may adopt reasonable policies governing the timing of requests for unpaid leave. The leave may not begin more than six weeks after the birth or adoption.

Subd. 4. [NO EMPLOYER RETRIBUTION.] An employer may not penalize an employee for requesting or obtaining a leave of absence as provided by this section.

Subd. 5. [CONTINUED INSURANCE.] The employer must continue to make coverage available to the employee, while on leave of absence, under any group insurance policy, group subscriber contract, or health care plan for the employee and any dependents. Nothing in this section requires the employer to pay the costs of the insurance or health care while the employee is on leave of absence.

Sec. 3. [181.95] [REINSTATEMENT AFTER LEAVE.]

Subdivision 1. [COMPARABLE POSITION.] An employee returning from a leave of absence is entitled to return to employment in the employee's former position or in a position of like status, hours, and pay. An employee returning from a leave of absence longer than one month must notify a supervisor at least two weeks prior to return from leave.

Subd. 2. [PAY; BENEFITS; ON RETURN.] An employee returning from a leave of absence must be returned to work at the same rate of pay the employee had been receiving when the leave commenced, plus any automatic adjustments in the employee's pay scale that occurred during the leave period. The employee returning from a leave retains all accrued preleave benefits of employment and seniority, as if there had been no interruption in service. If, during the leave, the employer experiences a layoff and the employee would have lost a position had the employee not been on leave, pursuant to the good faith operation of a bona fide layoff and recall system, including a system under a collective bargaining agreement, the employee is not entitled to reinstatement in the former or com-

parable position. In such circumstances, the employee retains all rights under the collective bargaining agreement as if the employee had not taken the leave.

Subd. 3. [PART-TIME RETURN.] *An employee, by agreement with the employer, may return to work part time during the leave period without forfeiting the right to return to employment at the end of the leave period, as provided in sections 1 to 6.*

Sec. 4. [181.96] [USE OF SICK LEAVE.]

An employee may use sick leave benefits for absences due to the illness of a minor or dependent child on the same terms that the employee may use sick leave benefits for the employee's own illness.

Sec. 5. [187.97] [RELATIONSHIP TO OTHER LEAVE.]

The length of leave provided by this law may be reduced by any period of paid parental or disability leave provided by the employer, so that the total leave does not exceed 52 weeks.

Nothing in sections 1 to 5 prevents any employer from providing parental leave benefits in addition to those provided in sections 1 to 5.

Sec. 6. [181.97] [INDIVIDUAL REMEDIES.]

In addition to any remedies otherwise provided by law, a person injured by a violation of sections 1 to 5 may bring a civil action to recover any and all damages recoverable at law, together with costs and disbursements, including reasonable attorney's fees, and may receive injunctive and other equitable relief as determined by a court."

Delete the title and insert:

"A bill for an act relating to employment; establishing unpaid leave of absences for new parents; setting conditions on return from leave; creating a cause of action; proposing coding for new law in Minnesota Statutes, chapter 181."

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

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

H.F. No. 286: A bill for an act relating to witnesses; removing the presumption against the competency of certain witnesses; amending Minnesota Statutes 1986, section 595.02, subdivision 1.

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

Page 3, delete lines 2 to 8 and insert:

"(f) Persons of unsound mind, and persons intoxicated at the time of their production for examination, and children under ten years of age, if any of them are not competent witnesses if they lack capacity to remember or to relate truthfully facts respecting which they are examined, are not competent witnesses. A child describing any act of sexual contact or penetration performed on or with the child by another may use language appropriate for a child of that age."

Page 5, after line 5, insert:

"(1) A child under ten years of age is a competent witness unless the court finds that the child lacks the capacity to remember or to relate truthfully facts respecting which the child is examined. A child describing any act or event may use language appropriate for a child of that age."

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

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

S.F. No. 232: A bill for an act relating to crimes; making certain victims rights provisions applicable to victims of certain ordinance violations; providing for plea agreement notification to a larger group of victims; permitting victims to submit an impact statement to the court; providing the data classification of a request for notice of prisoner release; amending Minnesota Statutes 1986, sections 611A.01; 611A.03, subdivision 3; 611A.06; proposing coding for new law in Minnesota Statutes, chapter 611A.

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

Page 1, line 19, delete "loss or" and insert "bodily"

Page 2, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 1986, section 611A.02, is amended to read:

611A.02 [VICTIM SERVICE NOTIFICATION OF VICTIM SERVICES AND VICTIMS' RIGHTS.]

Subdivision 1. [VICTIM SERVICES.] The commissioner of corrections, in cooperation with the executive director of the crime victims reparations board, shall develop a plan to provide victims with information concerning victim services in the geographic area where the crime occurred. This information shall include, but need not be limited to, information about available victim crisis centers, programs for victims of sexual assault, victim witness programs, elderly victims projects, victim assistance hotlines, incest abuse programs, and domestic violence shelters and programs.

The plan shall take into account the fact that some counties currently have informational service systems and victim or witness services or programs.

This plan shall be presented to the appropriate standing committees of the legislature no later than February 1, 1984.

Subd. 2. [VICTIMS' RIGHTS.] (a) The commissioner of public safety, in consultation with the crime victim and witness advisory council, must develop a notice of the rights of crime victims. The notice must include a form for the preparation of a preliminary written victim impact summary. A preliminary victim impact summary is a concise statement of the immediate and expected damage to the victim as a result of the crime. A victim desiring to file a preliminary victim impact summary must file the summary with the investigating officer no more than five days after the victim receives the notice from a peace officer. If a preliminary victim impact statement is filed with the investigating officer, it must be sent to the prosecutor with other investigative materials. If a prosecutor has received a preliminary victim impact summary, the prosecutor must present

the summary to the court. This subdivision does not relieve a probation officer of the notice requirements imposed by section 609.115, subdivision 1c.

(b) The notice of the rights of crime victims must be distributed by a peace officer to each victim, as defined in section 611A.01, when the peace officer takes a formal statement from the victim. A peace officer is not obligated to distribute the notice if a victim does not make a formal statement. The notice must inform a victim of:

(1) the victim's right to request restitution under section 611A.04;

(2) the victim's right to be notified of any plea negotiations under section 611A.03; and

(3) the victim's right to be present at sentencing, and to object orally or in writing to a proposed agreement or disposition."

Page 2, line 15, delete "WRITTEN"

Page 2, line 18, after the period, insert "If the victim requests, the prosecutor must orally present the statement to the court."

Page 2, line 25, delete everything after "(3)"

Page 2, line 26, delete "or disposition, and the" and insert "a" and delete "objections, if any," and insert "reaction"

Page 2, delete lines 28 to 31

Page 3, line 9, delete "classified as"

Page 3, line 10, delete "provided" and insert "defined"

Page 3, line 11, delete everything after "12" and insert a period

Page 3, line 12, delete everything before "The"

Page 3, after line 16, insert:

"Sec. 5. [REPEALER.]

Minnesota Statutes 1986, section 611A.03, subdivision 3, is repealed.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective January 1, 1988."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to crimes; expanding the definition of crime for victims' rights provisions to include ordinance violations resulting in bodily harm; expanding crimes that entitle victim to notice of plea agreement; granting right to victim to submit an impact statement to the court; requiring officers to give victims a notice of their rights; requiring prosecutors to present to the court a written victim impact summary prepared by the victim; ensuring privacy of victim's request for notice of prisoner release; amending Minnesota Statutes 1986, sections 611A.01; 611A.02; and 611A.06; proposing coding for new law in Minnesota Statutes, chapter 611A; repealing Minnesota Statutes 1986, section 611A.03, subdivision 3."

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

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

S.F. No. 1472: A bill for an act relating to traffic regulations; requiring certain persons convicted of DWI or a DWI-related offense to undergo chemical use assessment; imposing an assessment on persons convicted of DWI for the purpose of financing these assessments; appropriating money; amending Minnesota Statutes 1986, sections 169.121, by adding a subdivision; 169.124; 169.125; and 169.126.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 169.121, subdivision 5, is amended to read:

Subd. 5. The court may stay imposition or execution of any sentence authorized by subdivision 3 or 4, except the revocation of the driver's license, on the condition that the convicted person submit to treatment by a public or private institution or a facility providing rehabilitation for chemical dependency licensed by the department of human services *in accordance with the recommendation of the chemical use assessment required under section 169.126*. A stay of imposition or execution shall be in the manner provided in section 609.135. The court shall report to the commissioner of public safety any stay of imposition or execution of sentence granted under the provisions of this section.

Sec. 2. Minnesota Statutes 1986, section 169.121, is amended by adding a subdivision to read:

Subd. 5a. [CHEMICAL DEPENDENCY ASSESSMENT CHARGE.] When a court sentences a person convicted of an offense enumerated in section 169.126, subdivision 1, it shall impose a chemical dependency assessment charge of \$75. This section applies when the sentence is executed, stayed, or suspended. The court may not waive payment or authorize payment of the assessment charge in installments unless it makes written findings on the record that the convicted person is indigent or that the assessment charge would create undue hardship for the convicted person or that person's immediate family.

The court shall collect and forward to the commissioner of finance the total amount of the chemical dependency assessment charge and the commissioner shall credit the money to the drinking and driving repeat offense prevention account created in section 9.

The chemical dependency assessment charge required under this section is in addition to the surcharge required by section 609.101.

Sec. 3. Minnesota Statutes 1986, section 169.124, is amended to read:

169.124 [ALCOHOL SAFETY PROGRAM.]

Subdivision 1. [COUNTY BOARD.] The county board of every county ~~having a population of more than 10,000 shall and the county board of every county having a population of less than 10,000 may~~ establish an alcohol safety program designed to provide alcohol problem screening and chemical use assessment and evaluation of persons convicted of ~~one of the offenses an offense~~ enumerated in section 169.126, subdivision 1.

Subd. 2. [PRELIMINARY SCREENING.] ~~The~~ A preliminary alcohol problem ~~assessment screening~~ shall be conducted, under the direction of the court and, by such persons or agencies as the court deems qualified to provide the alcohol problem ~~assessment screening~~ and ~~assessment screening~~ report as described in section 169.126. The alcohol problem ~~assessment screening~~ may be conducted by court services probation officers ~~having~~ with the required knowledge and skills in the ~~assessment screening~~ of alcohol problems, by alcoholism counselors, by persons conducting court sponsored driver improvement clinics if in the judgment of the court ~~such persons they~~ have the required knowledge and skills in the assessment of alcohol problems, by appropriate staff members of public or private alcohol treatment programs and agencies or mental health clinics, by court approved volunteer workers such as members of alcoholics anonymous, or by ~~such~~ other qualified persons as ~~approved by the court may direct~~. The commissioner of public safety shall provide the courts with information and assistance in establishing alcohol problem ~~assessment screening~~ programs suited to the needs of the area served by each court. The commissioner shall consult with the alcohol and other drug abuse section in the department of human services and with local community mental health boards in providing ~~such this~~ information and assistance to the courts. The commissioner of public safety shall promulgate rules and standards, consistent with this subdivision, for reimbursement under the provisions of subdivision 3. The ~~promulgation adoption of such rules and standards shall~~ is not be subject to chapter 14.

Subd. 3. [COST.] The cost of alcohol problem ~~assessment screening~~ outlined in this section shall be borne by the county. Upon application by the county to the commissioner of public safety, the commissioner shall reimburse the county up to 50 percent of the cost of each alcohol problem ~~assessment screening~~ not to exceed \$25 in each case. Payments shall be made annually and prorated if insufficient funds are appropriated.

Sec. 4. Minnesota Statutes 1986, section 169.125, is amended to read:

169.125 [COUNTY COOPERATION.]

County boards may enter into an agreement to establish a regional alcohol ~~problem assessment alcohol~~ safety program. County boards may contract with other counties and agencies for alcohol problem ~~screening and chemical use~~ assessment services.

Sec. 5. Minnesota Statutes 1986, section 169.126, subdivision 1, is amended to read:

Subdivision 1. [SCREENING REQUIREMENT.] An alcohol problem ~~assessment screening~~ shall be conducted in ~~counties of more than 10,000 population and an assessment a screening~~ report submitted to the court by the county agency administering the alcohol safety ~~counseling~~ program when:

(a) The defendant is convicted of an offense described in section 169.121 or 169.129; or

(b) The defendant is arrested for committing an offense described in section 169.121 or 169.129, ~~is not convicted therefor,~~ but is convicted of another offense arising out of the circumstances surrounding ~~such the~~ arrest.

Sec. 6. Minnesota Statutes 1986, section 169.126, subdivision 2, is amended to read:

Subd. 2. [EVALUATION REPORT.] The ~~assessment~~ screening report shall contain an evaluation of the convicted defendant concerning the defendant's prior traffic record, characteristics and history of alcohol problems, and amenability to rehabilitation through the alcohol safety program. The ~~assessment~~ screening report shall include a recommendation as to a treatment or rehabilitation program for the defendant. The ~~assessment~~ screening report shall be classified as private data on individuals as defined in section 13.02, subdivision 12.

Sec. 7. Minnesota Statutes 1986, section 169.126, subdivision 3, is amended to read:

Subd. 3. [REPORT PREPARATION.] The ~~assessment~~ screening report required by this section shall be prepared by a person knowledgeable in diagnosis of chemical dependency.

Sec. 8. Minnesota Statutes 1986, section 169.126, subdivision 4, is amended to read:

Subd. 4. [CHEMICAL USE ASSESSMENT.] ~~The court shall give due consideration to the agency's assessment report~~ (a) *Except as otherwise provided in paragraph (d), when an alcohol problem screening shows that the defendant has an identifiable chemical use problem, the court shall require the defendant to undergo a comprehensive chemical use assessment conducted by an assessor qualified under rules adopted by the commissioner of human services under section 254A.03, subdivision 3. An assessor providing a chemical use assessment for the court may not have any direct or shared financial interest or referral relationship resulting in shared financial gain with a treatment provider. If an independent assessor is not available, the court may use the services of an assessor authorized to perform assessments for the county social services agency under a variance granted under rules adopted by the commissioner of human services under section 254A.03, subdivision 3. An appointment for the defendant to undergo the chemical use assessment shall be made by the court, a court services probation officer, or the court administrator as soon as possible but in no case more than one week after the defendant's court appearance. The comprehensive chemical use assessment must be completed no later than two weeks after the appointment date.*

(b) *The chemical use assessment report must include a recommended level of care for the defendant in accordance with the criteria contained in rules adopted by the commissioner of human services under section 254A.03, subdivision 3.*

(c) *The state shall reimburse the county for the entire cost of each chemical use assessment and report at a rate established by the department of human services up to a maximum of \$100 in each case. The county may not be reimbursed for the cost of any chemical use assessment or report not completed within the time limit provided in this subdivision. Reimbursement to the county must be made from the special account established in section 9.*

(d) *If the preliminary alcohol problem screening is conducted by an assessor qualified under rules adopted by the commissioner of human services under section 254A.03, subdivision 3, consists of a comprehensive chemical use assessment of the defendant, and complies with the chemical use assessment report requirements of paragraph (b), it is a chemical use assessment for the purposes of this section and the court may not require*

the defendant to undergo a second chemical use assessment under paragraph (a). The state shall reimburse counties for the cost of alcohol problem screenings that qualify as chemical use assessments under this paragraph in the manner provided in paragraph (c) in lieu of the reimbursement provisions of section 169.124, subdivision 3.

Sec. 9. Minnesota Statutes 1986, section 169.126, is amended by adding a subdivision to read:

Subd. 4a. [DRINKING AND DRIVING REPEAT OFFENSE PREVENTION ACCOUNT.] A special account is established in the state treasury known as the drinking and driving repeat offense prevention account. Money credited to the account is appropriated continuously to the commissioner of public safety and shall be spent by the commissioner to reimburse counties for the entire cost of each chemical use assessment and report completed within the time limit provided under subdivision 4, up to a maximum of \$100 in each case.

Sec. 10. Minnesota Statutes 1986, section 169.126, is amended by adding a subdivision to read:

Subd. 4b. [EVALUATION.] The commissioner of public safety shall, with the assistance of the department of human services and the state planning agency, monitor and evaluate the implementation and effects of the alcohol safety programs required in sections 169.124 to 169.126 and shall submit a written report to the legislature by January 1, 1989, containing the commissioner's findings and recommendations.

Sec. 11. Minnesota Statutes 1986, section 169.126, subdivision 6, is amended to read:

Subd. 6. [APPLICABILITY.] This section shall not apply to persons who are not residents of the state of Minnesota at the time of the offense and at the time of the alcohol problem assessment screening.

Sec. 12. Minnesota Statutes 1986, section 260.193, subdivision 8, is amended to read:

Subd. 8. If the juvenile court finds that the child is a juvenile major highway or water traffic offender, it may make any one or more of the following dispositions of the case:

(a) Reprimand the child and counsel with the child and the parents;

(b) Continue the case for a reasonable period under such conditions governing the child's use and operation of any motor vehicles or boat as the court may set;

(c) Require the child to attend a driver improvement school if one is available within the county;

(d) Recommend to the department of public safety suspension of the child's driver's license as provided in section 171.16;

(e) If the child is found to have committed two moving highway traffic violations or to have contributed to a highway accident involving death, injury, or physical damage in excess of \$100, the court may recommend to the commissioner of public safety or to the licensing authority of another state the cancellation of the child's license until the child reaches the age of 18 years, and the commissioner of public safety is hereby authorized to cancel the license without hearing. At any time before the termination of

the period of cancellation, the court may, for good cause, recommend to the commissioner of public safety, or to the licensing authority of another state, that the child's license be returned, and the commissioner of public safety is authorized to return the license;

(f) Place the child under the supervision of a probation officer in the child's own home under conditions prescribed by the court including reasonable rules relating to operation and use of motor vehicles or boats directed to the correction of the child's driving habits;

(g) Require the child to pay a fine of up to \$700. The court shall order payment of the fine in accordance with a time payment schedule which shall not impose an undue financial hardship on the child;

(h) *If the court finds that the child committed an offense described in section 169.121, the court shall order that an alcohol problem screening be conducted and a screening report submitted to the court in the manner prescribed in section 169.126. Except as otherwise provided in section 169.126, subdivision 4, paragraph (d), if the alcohol problem screening shows that the child has an identifiable chemical use problem, the court shall require the child to undergo a comprehensive chemical use assessment in accordance with section 169.126, subdivision 4. If the chemical use assessment recommends a level of care for the child, the court may require that level of care in its disposition order. In addition, the court may require any child ordered to undergo a chemical use assessment to pay a chemical dependency assessment charge of \$75. The court shall forward the assessment charge to the commissioner of finance to be credited to the special account created in section 9. The state shall reimburse counties for the total cost of the chemical use assessment in the manner provided in section 169.126, subdivision 4.*

Sec. 13. [REPEALER.]

Minnesota Statutes 1986, section 169.126, subdivision 5, is repealed."

Delete the title and insert:

"A bill for an act relating to traffic regulations; requiring certain persons convicted of DWI or a DWI-related offense and certain juveniles adjudicated for a DWI offense to undergo chemical use assessment; imposing a chemical dependency assessment charge on persons convicted of DWI or a DWI-related offense, and juveniles adjudicated for a DWI offense for the purpose of financing these chemical use assessments; appropriating money; amending Minnesota Statutes 1986, sections 169.121, subdivision 5, and by adding a subdivision; 169.124; 169.125; 169.126, subdivisions 1, 2, 3, 4, 6, and by adding subdivisions; and 260.193, subdivision 8; repealing Minnesota Statutes 1986, section 169.126, subdivision 5."

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

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

H.F. No. 706: A bill for an act relating to juveniles; clarifying certain recent changes to the juvenile court act; clarifying the hearing and records procedures of the juvenile court; providing for the enforcement of juvenile court restitution orders; permitting administrative docketing of certain unpaid county reimbursements; clarifying certain crime victim notification and protection laws; amending Minnesota Statutes 1986, sections 260.155,

subdivisions 1 and 1a; 260.156; 260.161; 260.185, by adding a subdivision; 548.091, subdivision 1; 595.02, subdivision 4; 609.115, subdivision 1; 609.3471; 611A.031; and 611A.035; proposing coding for new law in Minnesota Statutes, chapter 611A; repealing Minnesota Statutes 1986, sections 609.115, subdivisions 1b and 1c; and 636.08.

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

Page 2, lines 11 to 14, reinstate the stricken language and delete the new language

Page 2, lines 31 and 32, delete "*as provided in rules 3, 39, and 40 of the Rules of Procedure for Juvenile Court*"

Page 2, line 35, delete "*about*"

Page 4, line 4, after "*or*" insert "*to an adult court or juvenile court*"

Page 5, line 20, delete everything after "*accident*"

Page 5, delete lines 21 to 25

Page 5, line 26, delete "*that school*"

Page 6, lines 17 and 18, delete "*or not*"

Pages 8 and 9, delete section 8

Page 10, line 1, delete "*any offense listed in section 611A.03, subdivision 3*" and insert "*a violation of sections 609.185, 609.19, 609.195, 609.20, 609.205, 609.221, 609.222, 609.223, 609.224, 609.24, 609.245, 609.25, 609.255, 609.342, 609.343, 609.344, 609.345, 609.365, 609.498, 609.561, and 609.687*"

Page 10, line 6, delete "*their*" and insert "*his or her*"

Pages 10 and 11, delete section 12

Page 11, line 14, delete everything after the first comma and insert "*section 636.08, is repealed.*"

Page 11, delete line 15

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 12, delete "609.115,"

Page 1, lines 13, delete "subdivision 1;"

Page 1, delete line 14

Page 1, line 15, delete "chapter 611A;"

Page 1, line 16, delete everything before "636.08" and insert "section"

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

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

H.F. No. 1371: A bill for an act relating to courts; specifying certain locations for holding court in Ramsey county; proposing coding for new law in Minnesota Statutes, chapter 488A.

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

Delete everything after the enacting clause and insert:

"Section 1. [488A.185] [PLACE OF HOLDING COURT.]

The county of Ramsey shall provide suitable quarters, as determined by the court, for the holding of regular terms of court at two locations outside the city of Saint Paul and within the county of Ramsey. One location shall be in the city of New Brighton. The second location shall be in the city of Maplewood within a one mile radius of the intersection of White Bear Avenue and County Road D.

Sec. 2. [SUBURBAN COURT FUNCTIONS.]

When suitable facilities have been provided, but in no event later than four months from the effective date of this act, all court functions conducted at suburban court sites before December 31, 1986, must be resumed at suburban locations. However, implied consent hearings shall be resumed at all current suburban court locations not later than 30 days from the date of final enactment of this act.

Sec. 3. [REIMBURSEMENT; WHITE BEAR LAKE AND NORTH SAINT PAUL.]

When suburban court locations are reduced to two sites as specified in section 1, the cities of White Bear Lake and North Saint Paul will be reimbursed by the court for any additional expenses for police and prosecutorial expenses necessitated by the change in court locations.

Sec. 4. [SUBURBAN COURT REMOVAL.]

Notwithstanding the provisions of section 1, court may cease to be held at any of the locations named in this section upon adoption of a resolution by the city council of the cities of Maplewood, New Brighton, North Saint Paul and White Bear Lake and a majority vote of the judges in Ramsey County.

Sec. 5. [EFFECTIVE DATE.]

Unless otherwise specified, this act is effective the day following final enactment."

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

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

H.F. No. 534: A bill for an act relating to the collection and dissemination of data; classifying data; proposing classifications of data as private, non-public, and protected nonpublic; clarifying issues relating to the administration of data; amending Minnesota Statutes 1986, sections 13.03, subdivision 3; 13.04, subdivision 2; 13.05, subdivision 4; 13.38; 13.39, subdivision 3; 13.41, subdivision 4; 13.43, by adding a subdivision; 13.46, subdivision 7, and by adding a subdivision; and 13.76; proposing coding for new law in Minnesota Statutes, chapter 13.

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

Page 5, line 7, delete the comma

Page 5, line 10, delete the second comma

Page 5, line 12, before "DATA" insert "PRIVATE" and delete "ON INDIVIDUALS"

Page 5, line 22, after the stricken "disease" insert "(a) Health data are private data on individuals." and delete "the provisions of"

Page 5, line 23, delete "is private data on individuals and"

Page 5, line 24, delete "shall" and insert "may" and delete "follows:" and insert "provided in this subdivision and section 13.04."

Page 5, line 25, delete "(a) By" and insert "(b)" and after "or" insert "a local" and after "health" insert "may disclose health data"

Page 5, line 27, delete "as defined by the commissioner through"

Page 5, line 28, delete "rule"

Page 5, line 29, delete the comma

Page 5, delete lines 31 to 35 and insert:

"(c) With the approval of the commissioner, health data may be disclosed to the extent necessary to assist the commissioner to locate or identify a case, carrier, or suspect case, to alert persons who may be threatened by illness as evidenced by epidemiologic data, to control or prevent the spread of serious disease, or to diminish an imminent threat to the public health."

Page 5, line 36, after the headnote, insert "Summary data derived from" and delete "on"

Page 6, line 1, delete "individuals" and delete "are confidential data on"

Page 6, line 2, delete "individuals, except that summary data"

Page 6, line 10, delete "this chapter or" and strike "other"

Pages 6 and 7, delete sections 6 and 7 and insert:

"Sec. 6. Minnesota Statutes 1986, section 13.43, subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] As used in this section, "personnel data" means data on individuals collected because the individual is or was an employee of or an applicant for employment by, performs services on a voluntary basis for, or acts as an independent contractor with a state agency, statewide system or political subdivision or is a member of an advisory board or commission. "Personnel data" includes data on individuals who apply for or are enrolled in employment and training programs funded with federal, state, or local resources unless the data are welfare data under section 13.46.

Sec. 7. Minnesota Statutes 1986, 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

nonpublic 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 or permitted by sections 626.556, subdivisions 40b and 40d, and 626.557, subdivision 40a statute.

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. Inactive welfare investigative data shall be treated as provided in section 13.39, subdivision 3.

Sec. 8. Minnesota Statutes 1986, section 13.46, subdivision 4, is amended to read:

Subd. 4. [LICENSING DATA.] (a) *As used in this subdivision:*

(1) *"licensing data" means all data collected, maintained, used, or disseminated by the welfare system pertaining to persons licensed or registered or who apply for licensure or registration under the authority of the commissioner of human services, except for:*

(2) *"client" means a person who is receiving services from a licensee or from an applicant for licensure; and*

(3) *"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." means social security numbers, identity of and letters of reference, insurance information, reports from the bureau of criminal apprehension, health examination reports, and social/home studies.*

(b) *Except as provided in paragraph (c), the following data are public: name, address, telephone number of licensees, licensed capacity, type of children preferred, variances granted, type of dwelling, name and relationship of other family members, previous license history, class of license, the nature and content of complaints after resolution when the information is not maintained in anticipation of legal action, record of informal resolutions of licensing violations, orders of hearing, findings of fact, and conclusions of law, and specifications of the final disciplinary action contained in the record of disciplinary action.*

(c) *The following are private data on individuals under section 13.02, subdivision 12, or nonpublic data under section 13.02, subdivision 9: personal and personal financial data on family day care program and family foster care program applicants and licensees and their family members who provide services under the license.*

(d) *The following are private data on individuals: the identity of persons who have made reports concerning licensees or applicants that appear in inactive investigative data, and the records of clients or employees of the licensee or applicant for licensure whose records are received by the li-*

censing agency for purposes of review or in anticipation of a contested matter. The names of reporters under sections 626.556 and 626.557 may be disclosed only as provided in section 626.556, subdivision 11, or 626.557, subdivision 12.

(e) Data classified as private, confidential, or nonpublic under this subdivision become public data if submitted to a court or administrative law judge as part of a disciplinary proceeding in which there is a public hearing concerning the disciplinary action.

(f) Data generated in the course of licensing investigations that ~~are in response~~ relate to a ~~complaint~~ alleged violation of a rule or statutory ~~violation~~ law are investigative data pursuant to under subdivision 3.

(g) Data that are not public data collected, maintained, used, or disseminated under this subdivision that relate to or are derived from a report as defined in section 626.556, subdivision 2, are subject to the destruction provisions of section 626.556, subdivision 11."

Page 7, line 36, delete "classified as"

Page 8, line 1, delete "sample has been completed" and insert "rates are set"

Page 8, delete section 10 and insert:

"Sec. 11. Minnesota Statutes 1986, section 13.50, subdivision 1, is amended to read:

Subdivision 1. [CONFIDENTIAL OR PROTECTED NONPUBLIC DATA.] Estimated or appraised values of individual parcels of real property which are made by personnel of the state, its agencies and departments, or a political subdivision or by independent appraisers acting for the state, its agencies and departments, or a political subdivision for the purpose of selling or acquiring land through purchase or condemnation are classified as confidential data on individuals pursuant to section 13.02, subdivision 3 or protected nonpublic data."

Page 8, line 13, delete "is classified as" and insert "are"

Page 8, line 14, before the colon, insert "on individuals"

Page 8, line 15, delete the comma and insert a semicolon

Page 8, delete section 12

Page 8, line 34, delete "classified as" and before the colon, insert "data on individuals"

Pages 8 and 9, delete section 14

Page 9, line 19, delete "All"

Page 9, delete line 20 and insert "reveals the identity of a tenant who makes a complaint"

Page 9, line 22, delete "classified as" and before the period, insert "on individuals"

Page 9, line 28, after "confidential" insert "data on individuals" and after "private" insert "data on individuals"

Page 9, lines 30, 31, and 35, delete "all"

Page 10, after line 4, insert:

"Sec. 16. [241.441] [ACCESS BY OMBUDSMAN TO DATA.]

Notwithstanding section 13.42 or 13.85, the ombudsman has access to corrections and detention data and medical data maintained by an agency and classified as private data on individuals or confidential data on individuals when access to the data is necessary for the ombudsman to perform the powers under section 241.44.

Sec. 17. [EFFECTIVE DATE.]

Sections 6; 8, subdivision 4, paragraph (g); and 10 to 16 are effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete "13.41,"

Page 1, line 9, delete "subdivision 4;" and delete "by adding a subdivision" and insert "subdivision 1"

Page 1, line 10, delete the first "subdivision" and insert "subdivisions 3, 4, and" and delete "13.76" and insert "13.50, subdivision 1"

Page 1, delete line 12 and insert "chapters 13 and 241."

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

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

H.F. No. 941: A bill for an act relating to crimes; prohibiting killing or injuring a police dog involved in law enforcement investigation or apprehension; prescribing penalties; amending Minnesota Statutes 1986, section 609.595, by adding a subdivision.

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

Page 1, delete section 1 and insert:

"Section 1. [609.596] [KILLING OR HARMING A POLICE DOG.]

Subdivision 1. [FELONY.] Whoever intentionally and without justification causes the death of a police dog when the dog is involved in law enforcement investigation or apprehension, or the dog is in the custody of or under the control of a peace officer, as defined in section 626.84, subdivision 1, paragraph (c), is guilty of a felony and may be sentenced to imprisonment for not more than two years or to payment of a fine of not more than \$4,000.

Subd. 2. [GROSS MISDEMEANOR.] Whoever intentionally and without justification causes substantial or great bodily harm to a police dog when the dog is involved in law enforcement investigation or apprehension, or the dog is in the custody of or under the control of a peace officer, is guilty of a gross misdemeanor."

Amend the title as follows:

Page 1, line 4, delete "amending" and insert "proposing coding for new law in"

Page 1, line 5, delete everything after "Statutes" and insert ", chapter

609."

Page 1, delete line 6

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

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

H.F. No. 1521 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1521	1404				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1521 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1521 and insert the language after the enacting clause of S.F. No. 1404, the second engrossment; further, delete the title of H.F. No. 1521 and insert the title of S.F. No. 1404, the second engrossment.

And when so amended H.F. No. 1521 will be identical to S.F. No. 1404, and further recommends that H.F. No. 1521 be given its second reading and substituted for S.F. No. 1404, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 1113 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1113	1452				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1113 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1113 and insert the language after the enacting clause of S.F. No. 1452, the first engrossment; further, delete the title of H.F. No. 1113 and insert the title of S.F. No. 1452, the first engrossment.

And when so amended H.F. No. 1113 will be identical to S.F. No. 1452, and further recommends that H.F. No. 1113 be given its second reading and substituted for S.F. No. 1452, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the

Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

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

H.F. No. 1312 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1312	1199				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1312 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1312 and insert the language after the enacting clause of S.F. No. 1199, the first engrossment; further, delete the title of H.F. No. 1312 and insert the title of S.F. No. 1199, the first engrossment.

And when so amended H.F. No. 1312 will be identical to S.F. No. 1199, and further recommends that H.F. No. 1312 be given its second reading and substituted for S.F. No. 1199, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 990 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
990	1321				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 990 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 990 and insert the language after the enacting clause of S.F. No. 1321, the first engrossment; further, delete the title of H.F. No. 990 and insert the title of S.F. No. 1321, the first engrossment.

And when so amended H.F. No. 990 will be identical to S.F. No. 1321, and further recommends that H.F. No. 990 be given its second reading and substituted for S.F. No. 1321, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 1015 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1015	992				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1015 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1015 and insert the language after the enacting clause of S.F. No. 992, the first engrossment; further, delete the title of H.F. No. 1015 and insert the title of S.F. No. 992, the first engrossment.

And when so amended H.F. No. 1015 will be identical to S.F. No. 992, and further recommends that H.F. No. 1015 be given its second reading and substituted for S.F. No. 992, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 668 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				668	598

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 668 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 668 and insert the language after the enacting clause of S.F. No. 598, the second engrossment; further, delete the title of H.F. No. 668 and insert the title of S.F. No. 598, the second engrossment.

And when so amended H.F. No. 668 will be identical to S.F. No. 598, and further recommends that H.F. No. 668 be given its second reading and substituted for S.F. No. 598, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 674 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				674	947

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 674 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 674 and insert the language after the enacting clause of S.F. No. 947, the second engrossment; further, delete the title of H.F. No. 674 and insert the title of S.F. No. 947, the second engrossment.

And when so amended H.F. No. 674 will be identical to S.F. No. 947, and further recommends that H.F. No. 674 be given its second reading and substituted for S.F. No. 947, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 1507 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				1507	1092

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1507 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1507 and insert the language after the enacting clause of S.F. No. 1092, the second engrossment; further, delete the title of H.F. No. 1507 and insert the title of S.F. No. 1092, the second engrossment.

And when so amended H.F. No. 1507 will be identical to S.F. No. 1092, and further recommends that H.F. No. 1507 be given its second reading and substituted for S.F. No. 1092, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the

Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

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

H.F. No. 1041 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1041	1478				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1041 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1041 and insert the language after the enacting clause of S.F. No. 1478, the first engrossment; further, delete the title of H.F. No. 1041 and insert the title of S.F. No. 1478, the first engrossment.

And when so amended H.F. No. 1041 will be identical to S.F. No. 1478, and further recommends that H.F. No. 1041 be given its second reading and substituted for S.F. No. 1478, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 463 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
463	1063				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 463 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 463 and insert the language after the enacting clause of S.F. No. 1063, the first engrossment; further, delete the title of H.F. No. 463 and insert the title of S.F. No. 1063, the first engrossment.

And when so amended H.F. No. 463 will be identical to S.F. No. 1063, and further recommends that H.F. No. 463 be given its second reading and substituted for S.F. No. 1063, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 856 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
856	921				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 856 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 856 and insert the language after the enacting clause of S.F. No. 921, the first engrossment; further, delete the title of H.F. No. 856 and insert the title of S.F. No. 921, the first engrossment.

And when so amended H.F. No. 856 will be identical to S.F. No. 921, and further recommends that H.F. No. 856 be given its second reading and substituted for S.F. No. 921, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 1327 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1327	1243				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1327 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1327 and insert the language after the enacting clause of S.F. No. 1243, the first engrossment; further, delete the title of H.F. No. 1327 and insert the title of S.F. No. 1243, the first engrossment.

And when so amended H.F. No. 1327 will be identical to S.F. No. 1243, and further recommends that H.F. No. 1327 be given its second reading and substituted for S.F. No. 1243, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 872 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
872	1346				

and that the above Senate File be indefinitely postponed.

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

SECOND READING OF SENATE BILLS

S.F. Nos. 1515, 854, 261, 801, 1516, 1470 and 232 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1159, 1083, 170, 141, 1207, 234, 286, 706, 1371, 534, 941, 1521, 1113, 1312, 990, 1015, 668, 674, 1507, 1041, 463, 856, 1327 and 872 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Luther moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1205. The motion prevailed.

Mr. Pehler moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1330. The motion prevailed.

Mr. Metzen moved that the name of Mr. Marty be added as a co-author to S.F. No. 1428. The motion prevailed.

Mr. Luther moved that the name of Mr. Freeman be added as a co-author to S.F. No. 1479. The motion prevailed.

Mr. Taylor introduced—

Senate Resolution No. 64: A Senate resolution expressing the need for future increases in funding of the sliding fee program for child care.

Referred to the Committee on Rules and Administration.

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

CALENDAR

H.F. No. 830: A bill for an act relating to state energy contracts; imposing additional requirements on bidders for state energy efficiency installment purchase contracts; amending Minnesota Statutes 1986, section 16B.16, subdivision 1.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Mehrkens	Renneke
Anderson	Davis	Jude	Merriam	Samuelson
Beckman	DeCramer	Knaak	Moe, D.M.	Schmitz
Belanger	Dicklich	Knutson	Morse	Solon
Berg	Diessner	Kroening	Novak	Storm
Berglin	Frank	Laidig	Olson	Stumpf
Bernhagen	Frederick	Langseth	Pehler	Taylor
Bertram	Frederickson, D.J.	Lantry	Peterson, D.C.	Vickerman
Brandl	Frederickson, D.R.	Larson	Peterson, R.W.	Waldorf
Brataas	Freeman	Lessard	Piper	Wegscheid
Chmielewski	Hughes	Luther	Ramstad	Willett
Cohen	Johnson, D.E.	Marty	Reichgott	

So the bill passed and its title was agreed to.

H.F. No. 823: A bill for an act relating to labor; prohibiting certain terminations; requiring notice of reasons for terminations; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 181.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Davis	Jude	Mehrkens	Renneke
Anderson	DeCramer	Knaak	Merriam	Schmitz
Beckman	Dicklich	Knutson	Moe, D.M.	Solon
Belanger	Diessner	Kroening	Morse	Spear
Berg	Frank	Laidig	Novak	Storm
Berglin	Frederick	Langseth	Olson	Stumpf
Bernhagen	Frederickson, D.J.	Lantry	Pehler	Taylor
Bertram	Frederickson, D.R.	Larson	Peterson, D.C.	Vickerman
Brandl	Freeman	Lessard	Peterson, R.W.	Waldorf
Chmielewski	Hughes	Luther	Pogemiller	Wegscheid
Cohen	Johnson, D.E.	Marty	Ramstad	Willett
Dahl	Johnson, D.J.	McQuaid	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 225: A bill for an act relating to towns; providing for powers of town boards and board members; providing for elections; providing conditions for ownership of town cemetery lots; amending Minnesota Statutes 1986, sections 365.10; 365.27; 365.37; 365.51; 366.01, by adding a subdivision; 367.03; 367.33, subdivisions 1, 4, and 5; and 471.96; repealing Minnesota Statutes 1986, section 365.06.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Davis	Knutson	Moe, D.M.	Schmitz
Anderson	DeCramer	Kroening	Morse	Solon
Beckman	Dicklich	Laidig	Novak	Spear
Belanger	Frank	Langseth	Olson	Storm
Berg	Frederick	Lantry	Pehler	Stumpf
Berglin	Frederickson, D.J.	Larson	Peterson, D.C.	Taylor
Bernhagen	Frederickson, D.R.	Lessard	Peterson, R.W.	Vickerman
Bertram	Freeman	Luther	Piper	Waldorf
Brandl	Hughes	Marty	Pogemiller	Wegscheid
Brataas	Johnson, D.E.	McQuaid	Ramstad	Willet
Chmielewski	Johnson, D.J.	Mehrken	Reichgott	
Cohen	Jude	Merriam	Renneke	
Dahl	Knaak	Metzen	Samuelson	

So the bill passed and its title was agreed to.

S.F. No. 183: A bill for an act relating to snowmobiles; authorizing certain operators possessing a motor vehicle operator's license to cross a highway; amending Minnesota Statutes 1986, section 84.872.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knutson	Moe, D.M.	Solon
Anderson	DeCramer	Kroening	Morse	Spear
Beckman	Dicklich	Laidig	Novak	Storm
Belanger	Frank	Langseth	Olson	Stumpf
Berg	Frederick	Lantry	Pehler	Taylor
Berglin	Frederickson, D.J.	Larson	Peterson, D.C.	Vickerman
Bernhagen	Frederickson, D.R.	Lessard	Peterson, R.W.	Waldorf
Bertram	Freeman	Luther	Piper	Wegscheid
Brandl	Hughes	Marty	Ramstad	Willet
Brataas	Johnson, D.E.	McQuaid	Reichgott	
Chmielewski	Johnson, D.J.	Mehrken	Renneke	
Cohen	Jude	Merriam	Samuelson	
Dahl	Knaak	Metzen	Schmitz	

So the bill passed and its title was agreed to.

S.F. No. 1031: A bill for an act relating to occupations and professions; creating the Minnesota task force on interior designers and decorators and providing for its duties.

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 33 and nays 29, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Jude	Morse	Schmitz
Belanger	Dicklich	Knaak	Novak	Solon
Brataas	Diessner	Knutson	Peterson, D.C.	Spear
Chmielewski	Frederick	Langseth	Piper	Vickerman
Cohen	Frederickson, D.J.	Lessard	Pogemiller	Wegscheid
Dahl	Freeman	Luther	Reichgott	
Davis	Hughes	Metzen	Samuelson	

Those who voted in the negative were:

Anderson	Frank	Lantry	Moe, D.M.	Storm
Beckman	Frederickson, D.R.	Larson	Olson	Stumpf
Berglin	Johnson, D.E.	Marty	Pehler	Taylor
Bernhagen	Johnson, D.J.	McQuaid	Peterson, R.W.	Waldorf
Bertram	Kroening	Mehrkens	Ramstad	Willet
Brandl	Laidig	Merriam	Renneke	

So the bill failed to pass.

H.F. No. 29: A bill for an act relating to traffic regulations; requiring motor vehicle operators to use child passenger restraint system when transporting child under age of four; assessing court costs to violator under certain conditions; imposing penalty; amending Minnesota Statutes 1986, section 169.685, subdivision 5, and by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 4, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Moe, D.M.	Schmitz
Anderson	Dicklich	Kroening	Morse	Solon
Beckman	Diessner	Laidig	Novak	Spear
Belanger	Frank	Lantry	Olson	Storm
Berglin	Frederick	Larson	Pehler	Taylor
Bernhagen	Frederickson, D.J.	Lessard	Peterson, D.C.	Waldorf
Brandl	Frederickson, D.R.	Luther	Peterson, R.W.	Wegscheid
Brataas	Freeman	Marty	Piper	Willet
Chmielewski	Hughes	McQuaid	Ramstad	
Cohen	Johnson, D.E.	Mehrkens	Reichgott	
Dahl	Johnson, D.J.	Merriam	Renneke	
Davis	Jude	Metzen	Samuelson	

Messrs. Bertram, Knutson, Stumpf and Vickerman voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 353: A bill for an act relating to metropolitan water management; authorizing metropolitan counties to adopt ground water plans; relating to notice procedures in certain counties; amending Minnesota Statutes 1986, sections 112.53, subdivision 2; 473.875; 473.876, by adding subdivisions; 473.878, subdivisions 3, 5, 6, 7, and 9; proposing coding for new law in Minnesota Statutes, chapter 473.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Davis	Knutson	Moe, D.M.	Schmitz
Anderson	DeCramer	Kroening	Morse	Solon
Beckman	Dicklich	Laidig	Novak	Spear
Belanger	Diessner	Langseth	Olson	Storm
Berg	Frank	Lantry	Pehler	Stumpf
Berglin	Frederick	Larson	Peterson, D.C.	Taylor
Bernhagen	Frederickson, D.J.	Lessard	Peterson, R.W.	Vickerman
Bertram	Frederickson, D.R.	Luther	Piper	Waldorf
Brandl	Freeman	Marty	Pogemiller	Wegscheid
Brataas	Hughes	McQuaid	Ramstad	Willet
Chmielewski	Johnson, D.J.	Mehrkens	Reichgott	
Cohen	Jude	Merriam	Renneke	
Dahl	Knaak	Metzen	Samuelson	

So the bill passed and its title was agreed to.

S.F. No. 1237: A bill for an act relating to employment; requiring employers to notify employees of a lapse or discontinuance of employee health plans; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 181.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Metzen	Samuelson
Anderson	DeCramer	Knutson	Moe, D.M.	Schmitz
Beckman	Dicklich	Kroening	Morse	Solon
Belanger	Diessner	Laidig	Novak	Spear
Berg	Frank	Langseth	Olson	Storm
Berglin	Frederick	Lantry	Pehler	Stumpf
Bernhagen	Frederickson, D.J.	Larson	Peterson, D.C.	Taylor
Bertram	Frederickson, D.R.	Lessard	Peterson, R.W.	Vickerman
Brandl	Freeman	Luther	Piper	Waldorf
Brataas	Hughes	Marty	Pogemiller	Wegscheid
Chmielewski	Johnson, D.E.	McQuaid	Ramstad	Willet
Cohen	Johnson, D.J.	Mehrkens	Reichgott	
Dahl	Jude	Merriam	Renneke	

So the bill passed and its title was agreed to.

S.F. No. 1183: A bill for an act relating to alcoholic beverages; authorizing the city of Minneapolis to issue an on-sale liquor license to the American Swedish Institute.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 4, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Jude	Metzen	Samuelson
Anderson	DeCramer	Knaak	Moe, D.M.	Schmitz
Beckman	Dicklich	Knutson	Morse	Solon
Belanger	Diessner	Kroening	Novak	Spear
Berg	Frank	Langseth	Olson	Storm
Berglin	Frederick	Lantry	Pehler	Stumpf
Bernhagen	Frederickson, D.J.	Lessard	Peterson, D.C.	Taylor
Bertram	Frederickson, D.R.	Luther	Peterson, R.W.	Vickerman
Brandl	Freeman	Marty	Piper	Waldorf
Brataas	Hughes	McQuaid	Pogemiller	Wegscheid
Cohen	Johnson, D.E.	Mehrkens	Ramstad	Willet
Dahl	Johnson, D.J.	Merriam	Reichgott	

Messrs. Chmielewski, Laidig, Larson and Renneke voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1072: A bill for an act relating to utilities; providing for initial and continuing education of public utilities commissioners; lengthening the time period for preparation for a hearing on territorial disputes; raising dollar limit on value of property that public utility may transfer without commission approval; amending Minnesota Statutes 1986, sections 216A.03, by adding subdivisions; 216B.43; and 216B.50, subdivision 1.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Metzen	Samuelson
Anderson	DeCramer	Knutson	Moe, D.M.	Schmitz
Beckman	Dicklich	Kroening	Morse	Solon
Belanger	Diessner	Laidig	Novak	Spear
Berg	Frank	Langseth	Olson	Storm
Berglin	Frederick	Lantry	Pehler	Stumpf
Bernhagen	Frederickson, D.I.	Larson	Peterson, D.C.	Taylor
Bertram	Frederickson, D.R.	Lessard	Peterson, R.W.	Vickerman
Brandl	Freeman	Luther	Piper	Waldorf
Brataas	Hughes	Marty	Pogemiller	Wegscheid
Chmielewski	Johnson, D.E.	McQuaid	Ramstad	Willet
Cohen	Johnson, D.I.	Mehrkens	Reichgott	
Dahl	Jude	Merriam	Renneke	

So the bill passed and its title was agreed to.

S.F. No. 897: A bill for an act relating to liquor; requiring nondiscriminatory prices for sale to retailers; repealing the law requiring filing and maintenance of lists of wholesale prices; amending Minnesota Statutes 1986, section 340A.307, by adding a subdivision; repealing Minnesota Statutes 1986, section 340A.313.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Metzen	Schmitz
Anderson	DeCramer	Knutson	Moe, D.M.	Solon
Beckman	Dicklich	Kroening	Morse	Spear
Belanger	Diessner	Laidig	Novak	Storm
Berg	Frank	Langseth	Olson	Stumpf
Berglin	Frederick	Lantry	Pehler	Taylor
Bernhagen	Frederickson, D.J.	Larson	Peterson, D.C.	Vickerman
Bertram	Frederickson, D.R.	Lessard	Peterson, R.W.	Waldorf
Brandl	Freeman	Luther	Piper	Wegscheid
Brataas	Hughes	Marty	Pogemiller	Willet
Chmielewski	Johnson, D.E.	McQuaid	Ramstad	
Cohen	Johnson, D.J.	Mehrkens	Renneke	
Dahl	Jude	Merriam	Samuelson	

So the bill passed and its title was agreed to.

S.F. No. 1152: A bill for an act relating to alcoholic beverages; limiting imports by individuals; maximum volume for volume prices; purchases by delinquent licensees; restricting employment of minors in nonintoxicating liquor premises; providing for inspections; amending Minnesota Statutes 1986, sections 297C.09; 340A.302, subdivision 1; 340A.312, subdivision 2; 340A.318, subdivisions 1 and 3; and 340A.411, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 340A.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dahl	Knaak	Metzen	Samuelson
Anderson	Davis	Knutson	Moe, R.D.	Schmitz
Beckman	Dicklich	Kroening	Morse	Solon
Belanger	Diessner	Laidig	Novak	Spear
Benson	Frank	Langseth	Olson	Storm
Berg	Frederick	Lantry	Pehler	Stumpf
Berglin	Frederickson, D.J.	Larson	Peterson, D.C.	Taylor
Bernhagen	Frederickson, D.R.	Lessard	Peterson, R.W.	Vickerman
Bertram	Freeman	Luther	Piper	Waldorf
Brandl	Hughes	Marty	Pogemiller	Wegscheid
Brataas	Johnson, D.E.	McQuaid	Ramstad	Willet
Chmielewski	Johnson, D.J.	Mehrkins	Reichgott	
Cohen	Jude	Merriam	Renneke	

So the bill passed and its title was agreed to.

S.F. No. 1114: A bill for an act relating to liquor; limitations on rules of the commissioner of public safety; items which may be sold in exclusive liquor stores; regulating sales of fermented malt beverages; amending Minnesota Statutes 1986, sections 299A.02, subdivision 3; and 340A.101, subdivision 10; repealing Minnesota Statutes 1986, sections 34.119; 34.12; 34.13; and 34.14.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Davis	Knutson	Moe, D.M.	Samuelson
Anderson	Dicklich	Kroening	Moe, R.D.	Schmitz
Beckman	Diessner	Laidig	Morse	Solon
Belanger	Frank	Langseth	Novak	Spear
Benson	Frederick	Lantry	Olson	Storm
Berg	Frederickson, D.J.	Larson	Pehler	Stumpf
Berglin	Frederickson, D.R.	Lessard	Peterson, D.C.	Taylor
Bernhagen	Freeman	Luther	Peterson, R.W.	Vickerman
Bertram	Hughes	Marty	Piper	Waldorf
Brataas	Johnson, D.E.	McQuaid	Pogemiller	Wegscheid
Chmielewski	Johnson, D.J.	Mehrkins	Ramstad	Willet
Cohen	Jude	Merriam	Reichgott	
Dahl	Knaak	Metzen	Renneke	

So the bill passed and its title was agreed to.

S.F. No. 751: A bill for an act relating to financial institutions; authorizing the deposit of trust funds received by real estate brokers or salespersons in savings and loan associations and credit unions; amending Minnesota Statutes 1986, sections 51A.23, subdivision 1; 52.04; 82.17, subdivision 6; and 82.24, subdivisions 1, 2, and 6.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Jude	Merriam	Reichgott
Anderson	Davis	Knaak	Metzen	Renneke
Beckman	DeCramer	Knutson	Moe, D.M.	Samuelson
Belanger	Dicklich	Kroening	Moe, R.D.	Schmitz
Benson	Diessner	Laidig	Morse	Solon
Berg	Frank	Langseth	Novak	Spear
Berglin	Frederick	Lantry	Olson	Storm
Bernhagen	Frederickson, D.J.	Larson	Pehler	Stumpf
Bertram	Frederickson, D.R.	Lessard	Peterson, D.C.	Taylor
Brandl	Freeman	Luther	Peterson, R.W.	Vickerman
Brataas	Hughes	Marty	Piper	Waldorf
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Wegscheid
Cohen	Johnson, D.J.	Mehrkins	Ramstad	Willet

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1515 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1515: A bill for an act relating to higher education; appropriating money for education and related purposes to the higher education coordinating board, state board of vocational technical education, state board for community colleges, state university board, University of Minnesota, the Mayo medical foundation, and the Minnesota job skills partnership board, with certain conditions; amending Minnesota Statutes 1986, sections 135A.03, subdivision 1; 136A.101, by adding a subdivision; 136A.111, by adding a subdivision; 136A.121, subdivisions 4 and 5; 136A.132, subdivisions 3, 6, and 7; 136A.233, subdivisions 1 and 2; 136A.85; 136A.86, subdivisions 1 and 2; 136A.87; 137.31, subdivision 3; and 645.445, subdivision 5; Laws 1983, chapter 334, section 7; repealing Minnesota Statutes 1986, section 136.09, subdivision 3.

SUSPENSION OF RULES

Mr. Moe, R.D. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S.F. No. 1515 and that the rules of the Senate be so far suspended as to give S.F. No. 1515, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

Mr. Dahl moved to amend S.F. No. 1515 as follows:

Page 3, after line 21, insert:

"\$120,000 for fiscal year 1988 is for the board to provide staff assistance and support services for the task force, to accomplish the following: (1) establishment of work plan, agendas, and meetings; (2) provision of appropriate research and background materials; and (3) exchange of information about assessment tools and mechanisms among institutions, through conferences and dissemination of documents produced."

Page 3, line 56, delete "\$300,000" and insert "\$240,000"

The motion prevailed. So the amendment was adopted.

Mr. Berg moved to amend S.F. No. 1515 as follows:

Page 9, line 38, delete "\$14,374,700" and insert "\$14,474,700" and delete "\$14,652,600" and insert "\$14,852,600"

Correct the subdivision and section totals and the summaries by fund accordingly

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

Mr. Benson moved to amend S.F. No. 1515 as follows:

Page 7, line 60, delete "390,981,000" and insert "377,681,000"

Page 8, delete line 31

Correct the subdivision and section totals and the summaries by fund accordingly

CALL OF THE SENATE

Mr. Waldorf imposed a call of the Senate for the balance of the proceedings on S.F. No. 1515. 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 22 and nays 43, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Jude	Larson	Stumpf
Beckman	Davis	Knaak	Lessard	Willet
Benson	Frank	Knutson	Metzen	
Bernhagen	Frederick	Kroening	Ramstad	
Bertram	Frederickson, D.R.	Laidig	Storm	

Those who voted in the negative were:

Adkins	Diessner	Luther	Olson	Schmitz
Belanger	Frederickson, D.J.	Marty	Peterson, D.C.	Solon
Berglin	Freeman	McQuaid	Peterson, R.W.	Spear
Brandl	Gustafson	Mehrkens	Piper	Taylor
Chmielewski	Hughes	Merriam	Pogemiller	Vickerman
Cohen	Johnson, D.E.	Moe, D.M.	Purfeerst	Waldorf
Dahl	Johnson, D.J.	Moe, R.D.	Reichgott	Wegscheid
DeCramer	Langseth	Morse	Renneke	
Dicklich	Lantry	Novak	Samuelson	

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

S.F. No. 1515 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 2, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knutson	Morse	Schmitz
Anderson	Dicklich	Kroening	Novak	Solon
Beckman	Diessner	Laidig	Olson	Spear
Belanger	Frederick	Langseth	Pehler	Storm
Benson	Frederickson, D.J.	Lantry	Peterson, D.C.	Taylor
Berglin	Frederickson, D.R.	Lessard	Peterson, R.W.	Vickerman
Bernhagen	Freeman	Luther	Piper	Waldorf
Bertram	Gustafson	Marty	Pogemiller	Wegscheid
Brandl	Hughes	McQuaid	Purfeerst	Willet
Brataas	Johnson, D.E.	Mehrken	Ramstad	
Chmielewski	Johnson, D.J.	Merriam	Reichgott	
Cohen	Jude	Metzen	Renneke	
Dahl	Knaak	Moe, R.D.	Samuelson	

Messrs. Davis and Frank voted in the negative.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Peterson, R.W. moved that H.F. No. 753 be taken from the table. The motion prevailed.

H.F. No. 753: A bill for an act relating to education; providing aids to education, aids to libraries, appropriations to the state academies for the deaf and blind, and the department of education; changing secondary pupil unit weighting; establishing a formula equity allowance; changing the calculation of special education aid; increasing the community education formula; changing the capital expenditure formula; changing the secondary vocational funding formula; increasing desegregation levies and appropriating desegregation aid; appropriating money; amending Minnesota Statutes 1986, sections 43A.08, subdivisions 1 and 1a; 43A.18, subdivision 4; 118.12; 118.13; 118.14; 120.03, subdivision 1; 120.0752, by adding a subdivision; 120.17, subdivisions 1, 2, 3, 3a, 3b, 5, 7a, 12, and by adding subdivisions; 121.609, subdivision 4; 121.612, subdivisions 3, 5, and by adding subdivisions; 121.87, subdivision 1, and by adding a subdivision; 121.88, subdivision 2, and by adding a subdivision; 121.935, subdivision 6; 121.936, subdivision 1; 122.541, subdivision 2; 123.36, subdivision 13; 123.39, subdivision 1, and by adding a subdivision; 123.58, subdivisions 6 and 8a; 123.705, subdivision 1; 124.05, subdivision 1; 124.17, subdivisions 1 and 1a; 124.195, subdivision 9; 124.2138, subdivision 4, and by adding a subdivision; 124.2162, by adding a subdivision; 124.223; 124.225, subdivisions 1, 4b, 7b, 8a, 8i, 10, and by adding a subdivision; 124.245, subdivisions 1, 3, and by adding subdivisions; 124.246, subdivision 2; 124.247, subdivision 3; 124.252, subdivision 3; 124.271, subdivision 2b; 124.2711, subdivision 1; 124.272, subdivision 1; 124.273, subdivision 1b, and by adding subdivisions; 124.32; 124.481; 124.524, by adding a subdivision; 124.573; 124.574, subdivisions 2b, 3, 4, and by adding subdivisions; 124.646, subdivision 1; 124A.01; 124A.02, subdivisions 7, 8, 9, 16, and by adding subdivisions; 124A.03, subdivisions 1a, 3, and by adding a subdivision; 124A.033, subdivision 2; 124A.036, by adding a subdivision; 124A.06; 124A.08, subdivisions 1, 3a, and 5; 124A.10, subdivision 1, and by adding a subdivision; 124A.12, subdivision 1; 124A.14, subdivision 4; 125.03, subdivision 5; 125.05, subdivision 1; 125.185, subdivision 4; 125.611, subdivisions 10, 11, 12, and 13; 126.02, subdivision 2; 126.48, by adding a subdivision; 126.56, subdivisions 3 and 6; 126.65; 126.66, subdivisions 1, 6, and by adding subdivisions; 126.67, subdivisions 1, 1a, 2a, 3a, 6, and 9; 126.81, subdivision 2; 129B.041, subdivisions 1 and 3; 134.10; 136D.27; 136D.71; 136D.74, subdivision 2; 136D.87;

275.125, subdivisions 5, 6e, 8c, 9, 11a, 11c, and by adding subdivisions; Laws 1984, chapter 463, article 6, section 15, subdivision 1; Laws 1986, First Special Session chapter 1, article 5, section 9; proposing coding for new law in Minnesota Statutes, chapters 43A; 121; 122; 123; 124A; 125; 126; 128A; 129B; and 134; repealing Minnesota Statutes 1986, sections 120.17, subdivision 13; 123.937; 124.05, subdivision 2; 124.185; 124.2161; 124.2162; 124.2163; 124.225, subdivision 1a; 124.273, subdivision 2b; 124.275; 124A.20; 125.611, subdivisions 8 and 9; 129B.01; 129B.02; 129B.04; 129B.041, subdivision 4; 129B.05; 129B.17; 129B.20; 129B.21; 129B.35; 129B.37; and 275.125, subdivision 5d.

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. 753 and that the rules of the Senate be so far suspended as to give H.F. No. 753 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 753 was read the second time.

Mr. Peterson, R.W. moved to amend H.F. No. 753 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 753, and insert the language after the enacting clause, and the title, of S.F. No. 583, the second engrossment.

The motion prevailed. So the amendment was adopted.

Mr. Mehrkens moved to amend H.F. No. 753, as amended by the Senate May 1, 1987, as follows:

(The text of the amended House File is identical to S.F. No. 583.)

Page 2, line 34, delete "GENERAL EDUCATION" and insert "RETIREMENT"

Pages 2 to 19, delete sections 1 to 21 and insert:

"Section 1. Minnesota Statutes 1986, section 124A.02, is amended by adding a subdivision to read:

Subd. 5a. [BASIC FOUNDATION AID; 1987-1988 SCHOOL YEAR.] A district's basic foundation aid for the 1987-1988 school year equals its basic foundation aid, as defined in subdivision 5, plus the product of \$10 times its total pupil units for 1987-1988.

Sec. 2. Minnesota Statutes 1986, section 124A.02, subdivision 9, is amended to read:

Subd. 9. [FORMULA ALLOWANCE.] "Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. The formula allowance shall be \$1,585 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year. The formula allowance shall be \$1,690 for the 1985 payable 1986 levies and for foundation aid for the 1986-1987 school year. The formula allowance is \$1,700 for the 1986 payable 1987 levies and for foundation aid for the 1987-1988 school year. The formula allowance is \$1,735 for the 1987 payable 1988 levies and for foundation aid for the 1988-1989 school year.

Sec. 3. Minnesota Statutes 1986, section 124A.02, is amended by adding a subdivision to read:

Subd. 25. [TOTAL FOUNDATION REVENUE.] A district's "total foundation revenue" means the sum of the district's basic foundation revenue, tier revenue, and declining pupil unit revenue, but does not include the portion of the cost differential revenue attributable to the equity allowance, as defined in section 7.

Sec. 4. Minnesota Statutes 1986, section 124A.02, is amended by adding a subdivision to read:

Subd. 26. [STATEWIDE AVERAGE FOUNDATION REVENUE PER ACTUAL PUPIL UNIT.] (a) "Statewide average foundation revenue per actual pupil unit" means the sum of basic foundation revenue, tier revenue, and declining pupil unit revenue for all school districts, divided by the number of actual pupil units in all districts for that year. The tier revenue does not include the portion of the cost differential tier revenue attributable to the equity allowance, as defined in section 7.

(b) The commissioner shall compute the statewide average foundation revenue per actual pupil unit each school year and shall notify all districts of it before the districts' levies are required to be certified in the October immediately following the end of that school year. The commissioner shall use the latest available information in computing the statewide average foundation revenue under this subdivision, and must not adjust the amount after the levies are certified for a particular year.

Sec. 5. Minnesota Statutes 1986, section 124A.03, subdivision 1a, is amended to read:

Subd. 1a. [ESTABLISHMENT OF BASIC MAINTENANCE MILL RATE.] (a) The commissioner of revenue shall establish the basic maintenance mill rate and certify it to the commissioner of education by August 1 of each year for levies payable in the following year. The established basic maintenance mill rate shall be a rate, rounded up to the nearest tenth of a mill, which when applied to the adjusted assessed valuation of taxable property for each school district under subdivision 1 or 3, as applicable, raises the total amount specified in this section.

(b) The basic maintenance mill rate for the 1985 payable 1986 levies and for foundation aid for the 1986-1987 school year shall be established at a rate that raises a total of \$702,000,000. The basic maintenance mill rate for the 1986 payable 1987 levies and for foundation aid for the 1987-1988 school year shall be set at a rate that raises \$692,000,000. The basic maintenance mill rate for the 1987 payable 1988 levies and for foundation aid for the 1988-1989 school year must be set to raise \$707,000,000. The basic maintenance mill rate computed by the commissioner of revenue must not be recomputed due to changes or corrections made in a school district's adjusted assessed valuation after the mill rate has been certified to the department of education pursuant to paragraph (a).

Sec. 6. Minnesota Statutes 1986, section 124A.06, subdivision 1, is amended to read:

Subdivision 1. [COST DIFFERENTIAL TIER ALLOWANCE.] "Cost differential tier allowance" means the amount of revenue per actual pupil unit used to compute the cost differential tier aid for a school year and levy for use in the same school year. A district's cost differential tier allowance

shall be the sum of the sparsity allowance ~~and the~~, training and experience allowance, ~~and equity allowance~~.

Sec. 7. Minnesota Statutes 1986, section 124A.06, is amended by adding a subdivision to read:

Subd. 1c. [EQUITY ALLOWANCE.] A district's equity allowance shall be the greater of zero or the result of the following computation:

(a) Subtract the district's total foundation revenue per actual pupil unit from the statewide average foundation revenue per actual pupil unit.

(b) Subtract from the result in clause (a), the amount by which the district's net unappropriated operating fund balance per total pupil unit as of June 30 before the levy is certified exceeds \$550.

To be eligible for an equity allowance, a district must submit to the commissioner of education a plan for using the revenue provided by its equity allowance for improving and increasing academic opportunities for students.

Sec. 8. [APPROPRIATIONS.]

Subdivision 1. [TO DEPARTMENT OF EDUCATION.] There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [FOUNDATION AID.] For foundation aid there is appropriated:

\$874,419,300 _____1988,

\$915,556,100 _____1989.

The appropriation for aid for fiscal year 1988 includes \$121,712,400 for aid for fiscal year 1987 payable in fiscal year 1988 and \$752,706,900 for aid for fiscal year 1988 payable in fiscal year 1989.

The appropriation for aid for fiscal year 1989 includes \$127,737,400 for aid for fiscal year 1988 payable in fiscal year 1989 and \$787,818,700 for aid for fiscal year 1989 payable in fiscal year 1989.

Subd. 3. [TEACHER RETIREMENT AND FICA AID.] For teacher retirement and FICA aid there is appropriated:

\$235,255,000 _____1988,

\$237,749,400 _____1989.

The appropriation for aid for fiscal year 1988 includes \$33,975,000 for aid for fiscal year 1987 payable in fiscal year 1988 and \$201,280,000 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for aid for fiscal year 1989 includes \$35,520,000 for aid for fiscal year 1988 payable in fiscal year 1989 and \$202,299,400 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$236,800,000 for fiscal year 1988 and \$237,999,300 for fiscal year 1989.

Subd. 4. [SUMMER PROGRAMS.] For summer program aid according to Minnesota Statutes, section 124A.033, subdivision 3, there is appropriated:

\$8,177,800 _____1988,

\$8,736,600 _____1989.

The appropriation for fiscal year 1988 is for aid for programs in summer 1987. The appropriation for fiscal year 1989 is for aid for programs in summer 1988.

Subd. 5. [CANCELLATION.] Except as provided in Minnesota Statutes, section 124.14, subdivision 7, none of the amounts appropriated in subdivision 3 shall be expended for a purpose other than the purpose indicated."

Page 83, delete lines 4 to 7 and insert:

"Subd. 3. [ARTS EDUCATION AID.] For arts education aid according to Minnesota Statutes, section 124.275, there is appropriated:

\$1,048,700 _____1988,

\$1,071,200 _____1989."

Page 84, delete lines 1 to 36 and insert:

"Subd. 6. [CHEMICAL ABUSE PROGRAMS.] For aid for chemical abuse programs according to Minnesota Statutes, section 124.246, there is appropriated:

\$1,023,700 _____1988,

\$1,025,300 _____1989.

The appropriation for aid for fiscal year 1988 includes \$153,000 for aid for fiscal year 1987 payable in fiscal year 1988 and \$870,700 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for aid for fiscal year 1989 includes \$153,600 for aid for fiscal year 1988 payable in fiscal year 1989 and \$871,700 for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$1,024,300 for fiscal year 1988 and \$1,025,500 for fiscal year 1989.

Subd. 7. [GIFTED AND TALENTED AID.] For aid for gifted and talented education programs according to Minnesota Statutes, section 124.247, there is appropriated:

\$1,372,500 _____1988,

\$1,374,400 _____1989.

The appropriation for aid for fiscal year 1988 includes \$205,700 for aid for fiscal year 1987 payable in fiscal year 1988 and \$1,166,800 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for aid for fiscal year 1989 includes \$205,900 for aid for fiscal year 1988 payable in fiscal year 1989 and \$1,168,500 for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$1,372,700 for fiscal year 1988 and \$1,374,600 for fiscal year 1989.

Subd. 8. [INTERDISTRICT COOPERATION AID.] For aid for inter-district cooperation according to Minnesota Statutes, section 124.272, there is appropriated:

\$2,306,000 _____1988,

\$2,634,200 _____1989.

The appropriation for aid for fiscal year 1988 includes \$265,900 for aid for fiscal year 1987 payable in fiscal year 1988 and \$2,040,100 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for aid for fiscal year 1989 includes \$360,000 for aid for fiscal year 1988 payable in fiscal year 1989 and \$2,274,200 for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$2,400,100 for fiscal year 1988 and \$2,675,500 for fiscal year 1989."

Page 85, delete lines 1 to 6

Page 85, delete lines 26 to 30 and insert:

"Subd. 11. [PLANNING, EVALUATION, AND REPORTING PROCESS AID.] For aid for the planning, evaluation, and reporting process according to Minnesota Statutes, section 124.274, there is appropriated:

\$1,014,300 _____1988,

\$1,021,900 _____1989."

Page 86, delete lines 11 to 28 and insert:

"Subd. 13. [SECONDARY VOCATIONAL EDUCATION AID.] For secondary vocational education aid according to Minnesota Statutes, section 124.573, there is appropriated:

\$19,549,600 _____1988,

\$20,717,100 _____1989.

The appropriation for aid for fiscal year 1988 includes \$2,972,300 for aid for fiscal year 1987 payable in fiscal year 1988 and \$16,577,300 for aid for fiscal year 1988 payable in fiscal year 1988:

The appropriation for aid for fiscal year 1989 includes \$2,925,300 for aid for fiscal year 1988 payable in fiscal year 1989 and \$17,791,800 for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$19,502,600 for fiscal year 1988 and \$20,931,500 for fiscal year 1989.

Subd. 14. [TOBACCO USE PREVENTION AID.] For tobacco use prevention aid according to Minnesota Statutes, section 124.252, there is appropriated from the public health fund:

\$632,900 _____1988,

\$659,600 _____1989."

Page 100, delete lines 20 to 36 and insert:

"Subd. 4. [EDUCATIONAL COOPERATIVE SERVICE UNITS.] For educational cooperative service units there is appropriated:

\$748,000 _____1988,

\$748,000 _____1989.

The appropriation for aid for fiscal year 1988 includes \$112,200 for aid for fiscal year 1987 payable in fiscal year 1988 and \$635,800 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for aid for fiscal year 1989 includes \$112,000 for

aid for fiscal year 1988 payable in fiscal year 1989 and \$635,800 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$748,000 for fiscal year 1988 and \$748,000 for fiscal year 1989.

Funds from this appropriation shall be transmitted to ECSU boards of directors for general operations in the amount of \$68,000 per ECSU for each fiscal year; however, the ECSU whose boundaries coincide with the boundaries of development region 11 and the ECSU whose boundaries encompass development regions six and eight shall each receive \$136,000 for each fiscal year for general operations."

Page 101, delete lines 1 to 3

Page 101, delete lines 8 to 14 and insert:

"Subd. 6. [REGIONAL MANAGEMENT INFORMATION CENTERS.] For regional management information centers there is appropriated:

\$3,410,700 ____1988,

\$3,410,700 ____1989.

Subd. 7. [COMPREHENSIVE ARTS PLANNING PROGRAM.] For grants for the comprehensive arts planning program according to Minnesota Statutes, section 129B.20, there is appropriated:

\$37,500 ____1988,

\$37,500 ____1989.

Subd. 8. [REGIONAL TECHNOLOGY COORDINATORS.] For regional technology coordinators according to Minnesota Statutes, section 129B.35, there is appropriated:

\$285,000 ____1989.

Subd. 9. [PROGRAMS OF EXCELLENCE.] For grants for programs of excellence according to Minnesota Statutes, section 126.60, there is appropriated:

\$15,800 ____1988,

\$15,800 ____1989.

Subd. 10. [PROGRAMS OF EXCELLENCE TRANSPORTATION.] For transportation for programs of excellence there is appropriated:

\$17,000 ____1988,

\$17,000 ____1989.

Subd. 11. [MASTERY LEARNING.] For grants for mastery learning according to Minnesota Statutes, section 129B.61, there is appropriated:

\$1,187,500 ____1988,

\$1,187,500 ____1989."

Renumber the subdivisions in sequence

Amend the title accordingly

CALL OF THE SENATE

Mr. Mehrkens imposed a call of the Senate for the balance of the proceedings on H.F. No. 753. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the amendment.

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

The roll was called, and there were yeas 23 and nays 39, as follows:

Those who voted in the affirmative were:

Anderson	Bernhagen	Johnson, D.E.	McQuaid	Solon
Beckman	Brataas	Knaak	Mehrkens	Storm
Belanger	Frank	Knutson	Olson	Taylor
Benson	Frederick	Kroening	Ramstad	
Berglin	Frederickson, D.R.	Larson	Renneke	

Those who voted in the negative were:

Adkins	Dicklich	Laidig	Moe, D.M.	Reichgott
Berg	Diessner	Langseth	Moe, R.D.	Schmitz
Brandl	Frederickson, D.J.	Lantry	Morse	Spear
Chmielewski	Freeman	Lessard	Pehler	Stumpf
Cohen	Gustafson	Luther	Peterson, D.C.	Vickerman
Dahl	Hughes	Marty	Peterson, R.W.	Wegscheid
Davis	Johnson, D.J.	Merriam	Piper	Willet
DeCramer	Jude	Metzen	Pogemiller	

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

Mr. Berg moved to amend H.F. No. 753, as amended by the Senate May 1, 1987, as follows:

(The text of the amended House File is identical to S.F. No. 583.)

Page 73, line 20, delete "SCHOOL AND"

Page 73, line 22, delete "2,206,200" and insert "1,758,200" and delete "2,724,500" and insert "1,884,614"

Page 73, line 24, delete "15" and insert "10" and delete "21" and insert "10"

Page 74, line 16, delete "school and"

Page 75, line 19, delete "school and"

Page 76, line 10, strike "school" and delete "and"

Page 76, line 19, strike "school" and delete "and"

Page 76, line 25, strike "school and"

Page 77, line 9, before the colon, insert "at least"

Page 77, delete lines 10 to 13

Page 77, line 14, delete "9th" and insert "high school"

Page 77, line 15, delete "and 10th grade"

Page 77, line 16, delete everything after "pupils" and insert "of various ages"

Renumber the clauses in sequence

Page 77, line 25, strike "enrollment" and insert "*participation*"

Page 77, line 29, strike "and issues"

Page 78, delete lines 5 to 29

Reletter the paragraphs in sequence

Page 79, line 1, delete "HIGH SCHOOL" and insert "RESOURCE CENTER"

Page 79, line 2, delete "*high school*" and insert "*resource center*"

Page 79, line 10, strike "school" and delete "and"

Page 79, strike lines 12 to 14

Page 79, line 15, strike "(3)" and insert "(2)"

Page 79, line 20, strike "(4)" and insert "(3)"

Page 79, line 22, delete "(5)" and insert "(4)"

Renumber the paragraphs in sequence

Pages 79 and 80, delete section 11

Page 81, lines 5 and 7, strike "school" and delete "and"

Renumber the sections of article 5 in sequence

Amend the title as follows:

Page 1, line 42, delete "subdivisions" and insert "a subdivision"

The question was taken on the adoption of the amendment.

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

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 42 and nays 23, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Lessard	Pehler	Solon
Beckman	Frank	Luther	Peterson, D.C.	Spear
Berglin	Frederickson, D.J.	Marty	Peterson, R.W.	Stumpf
Brandl	Freeman	Merriam	Piper	Vickerman
Chmielewski	Hughes	Metzen	Pogemiller	Wegscheid
Cohen	Johnson, D.J.	Moe, D.M.	Purfeerst	Willet
Dahl	Jude	Moe, R.D.	Reichgott	
Davis	Kroening	Morse	Samuelson	
DeCramer	Lantry	Novak	Schmitz	

Those who voted in the negative were:

Anderson	Brataas	Knaak	McQuaid	Storm
Belanger	Frederick	Knutson	Mehrkens	Taylor
Benson	Frederickson, D.R.	Laidig	Olson	Waldorf
Berg	Gustafson	Langseth	Ramstad	
Bernhagen	Johnson, D.E.	Larson	Renneke	

The motion prevailed.

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

Those who voted in the affirmative were:

Adkins	Brataas	Johnson, D.E.	McQuaid	Storm
Anderson	Cohen	Knaak	Mehrkens	Taylor
Beckman	Frank	Knutson	Olson	Vickerman
Belanger	Frederick	Laidig	Ramstad	Waldorf
Benson	Frederickson, D.R.	Langseth	Renneke	
Berg	Gustafson	Larson	Samuelson	
Bernhagen	Hughes	Marty	Spear	

Those who voted in the negative were:

Berglin	Diessner	Lessard	Novak	Reichgott
Brandl	Frederickson, D.J.	Luther	Pehler	Schmitz
Chmielewski	Freeman	Merriam	Peterson, D.C.	Solon
Dahl	Johnson, D.J.	Metzen	Peterson, R.W.	Stumpf
Davis	Jude	Moe, D.M.	Piper	Wegscheid
DeCramer	Kroening	Moe, R.D.	Pogemiller	Willet
Dicklich	Lantry	Morse	Purfeerst	

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

Mr. Storm moved to amend H.F. No. 753, as amended by the Senate May 1, 1987, as follows:

(The text of the amended House File is identical to S.F. No. 583.)

Pages 16 and 17, delete section 18

Page 18, line 5, delete "\$982,811,800" and insert "\$989,747,000"

Page 18, line 8, delete "\$982,152,300" and insert "\$989,087,500"

Renumber the sections of article 1 in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 42, as follows:

Those who voted in the affirmative were:

Anderson	Diessner	Johnson, D.E.	McQuaid	Renneke
Belanger	Frank	Knaak	Mehrkens	Storm
Benson	Frederick	Knutson	Olson	Taylor
Bernhagen	Frederickson, D.R.	Laidig	Ramstad	Wegscheid
Brataas	Hughes	Larson	Reichgott	

Those who voted in the negative were:

Adkins	Davis	Lantry	Novak	Solon
Beckman	DeCramer	Lessard	Pehler	Spear
Berg	Dicklich	Luther	Peterson, D.C.	Stumpf
Berglin	Frederickson, D.J.	Marty	Peterson, R.W.	Vickerman
Bertram	Freeman	Merriam	Piper	Waldorf
Brandl	Gustafson	Metzen	Pogemiller	Willet
Chmielewski	Johnson, D.J.	Moe, D.M.	Purfeerst	
Cohen	Jude	Moe, R.D.	Samuelson	
Dahl	Langseth	Morse	Schmitz	

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

Mr. Knutson moved to amend H.F. No. 753, as amended by the Senate May 1, 1987, as follows:

(The text of the amended House File is identical to S.F. No. 583.)

Page 6, after line 18, insert:

"Subd. 4. [ADDITIONAL LEVY.] A district that does not receive general education aid under subdivision 3 may levy an amount equal to the

lesser of \$50 times the actual pupil units or the product of the general education mill rate times the adjusted assessed valuation of the district, minus the general education revenue of the district."

Renumber the subdivisions in sequence

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

Mr. Larson moved to amend H.F. No. 753, as amended by the Senate May 1, 1987, as follows:

(The text of the amended House File is identical to S.F. No. 583.)

Page 57, after line 18, insert:

"Subd. 16. [SCHOOL BUS PURCHASE.] For a grant to independent school district No. 309, Pine Point, to purchase a school bus there is appropriated:

\$38,000 _____1988."

The motion prevailed. So the amendment was adopted.

H.F. No. 753 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 37 and nays 29, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Lessard	Pehler	Schmitz
Berg	Diessner	Luther	Peterson, D.C.	Stumpf
Bertram	Frederickson, D.J.	Merriam	Peterson, R.W.	Vickerman
Brandl	Gustafson	Metzen	Piper	Waldorf
Chmielewski	Hughes	Moe, D.M.	Pogemiller	Wegscheid
Dahl	Johnson, D.J.	Moe, R.D.	Purfeerst	
Davis	Jude	Morse	Reichgott	
DeCramer	Langseth	Novak	Samuelson	

Those who voted in the negative were:

Anderson	Brataas	Johnson, D.E.	Larson	Renneke
Beckman	Cohen	Knaak	Marty	Solon
Belanger	Frank	Knutson	McQuaid	Spear
Benson	Frederick	Kroening	Mehrkens	Storm
Berglin	Frederickson, D.R.	Laidig	Olson	Taylor
Bernhagen	Freeman	Lantry	Ramstad	

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

Mr. Peterson, R.W. moved that S.F. No. 583, No. 2 on Special Orders, be stricken and laid on the table. The motion prevailed.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1516 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1516: A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and other agencies with certain conditions; fixing and limiting fees;

amending Minnesota Statutes 1986, sections 12.14; 17A.04, subdivision 5; 18.51, subdivision 2; 18.52, subdivision 5; 18.53; 27.041, subdivision 2; 28A.08; 32.075; 32.59; 60A.14, subdivision 1; 60A.206, subdivision 2; 60A.23, subdivision 7; 70A.14, subdivision 4; 83.23, subdivisions 2 and 3; 83.30, subdivision 2; 138.65; 138.91, by adding a subdivision; 309.531, subdivision 1; 326.241, subdivision 3; 326.244, subdivision 2; 332.33, subdivisions 3 and 4; amending Laws 1975, chapter 235, section 2, as amended.

SUSPENSION OF RULES

Mr. Langseth moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S.F. No. 1516 and that the rules of the Senate be so far suspended as to give S.F. No. 1516, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

Mr. Frederick moved to amend S.F. No. 1516 as follows:

Delete pages 2 and 3 and insert:

"Special Revenue	4,310,400	4,660,400	8,970,800
Airports	10,910,800	11,707,000	22,617,800
M.S.A.S.	65,900,000	66,300,000	132,200,000
C.S.A.H.	206,400,000	207,500,000	413,900,000
Tr. Hwy.	697,624,900	695,109,000	1,392,733,900
Hwy. User	9,618,900	9,697,700	19,316,600
Transit Assistance	29,100,000	28,800,000	57,900,000
Motor Vehicle Transfer	868,800	868,800	1,737,600
Transfers to Other Direct	(1,483,700)	(1,518,600)	(3,002,300)
TOTAL	\$1,089,200	\$1,094,919,700	\$1,094,245,000
			\$2,190,253,900

APPROPRIATIONS

Available for the Year
Ending June 30
1988 1989

Sec. 2. TRANSPORTATION

Subdivision 1. Total

Appropriation	\$957,632,300 1988	\$957,058,400 1989
Approved Complement -	4,651	4,648
General -	15	12
State Airports -	40	40
Trunk Highway -	4,580	4,580
Federal -	16	16

The appropriations in this section are from the trunk highway fund, except where another fund is named.

Summary by Fund

General	\$ 727,200	\$ 612,200
Airports	\$ 10,910,800	\$ 11,707,000
M.S.A.S.	\$ 65,900,000	\$ 66,300,000
C.S.A.H.	\$206,400,000	\$207,500,000
Trunk Highway	\$643,725,500	\$641,270,400
Transit Assistance	\$ 29,100,000	\$ 28,800,000
Motor Vehicle Transfer	\$ 868,800	\$ 868,800

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Highway Development	675,898,500	675,384,700
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Summary by Fund

M.S.A.S.	\$ 65,900,000	\$ 66,300,000
C.S.A.H.	\$206,400,000	\$207,500,000
Trunk Highway	\$436,529,700	\$433,515,900
Motor Vehicle Transfer	\$ 868,800	\$ 868,800

(a) Trunk Highway Development

1988	1989
\$425,709,100	\$424,709,100

Summary by Fund

Trunk Highway	\$424,840,300	\$423,840,300
Motor Vehicle Transfer	\$ 868,800	\$ 868,800

It is estimated that the appropriation from the trunk highway fund will be funded as follows:

Federal Highway Aid

\$222,000,000	\$207,000,000
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Highway User Taxes

\$202,840,300	\$216,840,300
---------------	---------------

The commissioner of transportation shall notify the chair of the senate finance committee and chair of the house appropriations committee promptly of any events that should cause these estimates to change.

This appropriation is for the actual construction, reconstruction, and improvement of trunk highways. This includes the cost of actual payment to land owners for lands acquired for highway right-of-way, payment to lessees, interest subsidies, and relocation expenses.

(b) County State Aids

\$206,400,000 \$207,500,000

This appropriation is from the county state-aid highway fund and is available until spent.

(c) Municipal State Aids

\$ 65,900,000 \$ 66,300,000

This appropriation is from the municipal state-aid street fund and is available until spent.

If an appropriation for either county"

Page 5, after line 12, insert:

"Subd. 5. Public Transportation

Assistance	29,100,000	28,800,000
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Summary by Fund

Transit Assistance	\$29,100,000	\$28,800,000
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Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Nonmetropolitan Transit Assistance

\$ 5,800,000 \$ 5,800,000

Summary by Fund

Transit Assistance	\$ 5,800,000	\$ 5,800,000
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(b) Metropolitan Transit Assistance

\$23,300,000 \$23,300,000

Summary by Fund

Transit Assistance	\$23,300,000	\$23,300,000
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No more than \$1,080,000 the first year and \$1,085,000 the second year may be used for regional transit board administration.

At least \$11,000,000 must be spent for metro mobility service during the biennium ending June 30, 1987."

Renumber the subdivisions in sequence

CALL OF THE SENATE

Mr. Merriam imposed a call of the Senate for the balance of the proceedings on S.F. No. 1516. 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 27 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson	Davis	Jude	McQuaid	Taylor
Belanger	DeCramer	Knaak	Mehrkens	Vickerman
Benson	Frederick	Knutson	Olson	Wegscheid
Berg	Frederickson, D.R.	Laidig	Ramstad	
Bernhagen	Gustafson	Larson	Renneke	
Brataas	Johnson, D.E.	Lessard	Storm	

Those who voted in the negative were:

Adkins	Dahl	Kroening	Morse	Reichgott
Beckman	Dicklich	Langseth	Novak	Spear
Berglin	Diessner	Lantry	Pehler	Stumpf
Bertram	Frank	Marty	Peterson, D.C.	Waldorf
Brandl	Frederickson, D.J.	Merriam	Peterson, R.W.	Willet
Chmielewski	Hughes	Metzen	Pogemiller	
Cohen	Johnson, D.J.	Moe, R.D.	Purfeerst	

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

S.F. No. 1516 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 6, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Morse	Solon
Anderson	DeCramer	Kroening	Novak	Spear
Beckman	Diessner	Laidig	Pehler	Storm
Berg	Frank	Langseth	Peterson, D.C.	Stumpf
Berglin	Frederick	Lantry	Peterson, R.W.	Taylor
Bernhagen	Frederickson, D.J.	Lessard	Piper	Vickerman
Bertram	Frederickson, D.R.	Luther	Pogemiller	Waldorf
Brandl	Gustafson	Marty	Purfeerst	Wegscheid
Brataas	Hughes	Mehrkens	Ramstad	Willet
Chmielewski	Johnson, D.E.	Merriam	Reichgott	
Cohen	Johnson, D.J.	Metzen	Renneke	
Dahl	Jude	Moe, R.D.	Schmitz	

Those who voted in the negative were:

Belanger	Knutson	Larson	McQuaid	Olson
Benson				

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1: A bill for an act relating to economic development; rural development; renaming and providing powers to the agricultural resource loan guaranty board; establishing a mineral resources program; establishing duties for the community development division in the department of energy

and economic development; transferring the independent wastewater treatment grant program from the pollution control agency to the Minnesota public finance authority; changing the membership of the Minnesota job skills partnership board; establishing the rural development board; establishing the challenge grant program; establishing the customized training program; establishing the greater Minnesota corporation; establishing the state supplemental education grant program; establishing the Minnesota public finance authority; providing a program for revitalization of the cities of St. Paul and Minneapolis; creating a program for funding economic development projects in the taconite tax relief area; permitting investment of earnings of the northeast Minnesota economic protection trust in venture capital enterprises; appropriating money; amending Minnesota Statutes 1986, sections 15.039, by adding a subdivision; 16A.80, subdivision 2a; 41A.01; 41A.02, subdivisions 3, 4, 6, 11, and by adding subdivisions; 41A.05, subdivisions 1 and 2; 41A.08; 116.16, subdivisions 2, 4, 5, 9, and by adding subdivisions; 116.18, subdivisions 2a and 3a; 116J.36, subdivisions 2, 3b, 3c, 8, 8a, and 11; 116J.37, subdivision 1, and by adding a subdivision; 116J.955, subdivisions 1 and 2; 116L.03, subdivision 2; 281.17; 298.292; 298.296, subdivision 2; 462.384, subdivision 7; 462.385, subdivisions 1 and 3; 462.386, subdivision 1; 462.387, subdivisions 1, 3 and 4; 462.39, subdivisions 2 and 3; 462.391, subdivisions 2, 3 and 4; 462.395; 462.396, subdivision 1; 462.398; and 462.445, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 41A; 93; 116J; 116L; and 136A; proposing coding for new law as Minnesota Statutes, chapters 116N; 116P; and 446A; repealing Minnesota Statutes 1986, sections 116.167; 116J.951; 116J.961; 116J.965; 116M.01; 116M.02; 116M.03; 116M.04; 116M.05; 116M.06; 116M.07; 116M.08; 116M.09; 116M.10; 116M.11; 116M.12; 116M.13; 472.11, subdivisions 3, 5, 6, 7, 8, and 9; 472.12, subdivisions 2, 3, and 4; 472.125; 472.13, subdivisions 2, 3, and 4; and Laws 1969, chapters 833 and 984.

Mr. Benson moved to amend S.F. No. 1 as follows:

Page 16, line 29, before "*The*" insert "*Upon approval by the board of regents of the University of Minnesota,*"

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

Mr. Storm moved to amend S.F. No. 1 as follows:

Page 14, line 15, after the semicolon, insert "*or*"

Page 14, delete lines 16 to 21

Page 14, line 22, delete "(3)" and insert "(2)"

The motion prevailed. So the amendment was adopted.

Mr. Dahl moved to amend S.F. No. 1 as follows:

Page 17, after line 2, insert:

"Sec. 7. [116P07] [RURAL CAPITAL SEED FUND PROGRAM.]

Subdivision 1. [TERMS.] For purposes of this section, the following terms have the meaning given them.

(a) "*Small business*" means a small business as defined in section 14.115, but does not include retail or services-related businesses, except for international export-related services, international export-related retail ventures, and advanced technology or computer-related ventures that will in-

crease the state's share of domestic or international markets.

(b) "Organization" means the venture capital organization selected by the corporation to establish and administer the capital seed funds.

Subd. 2. [ORGANIZATION.] The corporation may establish a rural capital seed fund program to promote economic development, encourage private investment, and create jobs in rural Minnesota by acquiring equity interests in small businesses located within the rural areas of the state. Organizations may submit applications to the corporation for the capital seed fund program. The application must:

- (1) demonstrate the experience of the applicant in raising venture capital;
- (2) describe the purposes of the proposed seed capital funds, including the types of businesses to receive investments and the type of investments to be made;
- (3) present a plan for establishing the proposed seed capital funds, including the amount of private investment sought, the strategy for obtaining the investments, and the persons or organizations who may manage the funds;
- (4) list private investment commitments obtained as of the date of the application; and
- (5) provide other and further information as the corporation may require.

Subd. 3. [PROGRAM AWARD.] The corporation may award the program to the venture capital organization applicant it determines to have the best qualifications to meet the program objectives and criteria provided for in this section. The corporation shall enter an agreement with the selected venture capital organization to establish capital seed funds. The agreement must include performance evaluation standards which the organization must meet in the administration and management of program funds. If the organization does not meet performance evaluation standards included in the agreement, the corporation may require that the organization use available funds to return the state's investment, together with interest accrued from the date of investment at the highest rate allowable by law. If sufficient funds are not available, the corporation may require the organization to liquidate sufficient investments to repay the state's investment with interest accrued. The corporation may use the returned funds to reinvest in another organization as provided in this section.

Subd. 4. [PROGRAM ADMINISTRATION.] The corporation shall divide the area of the state located outside of the metropolitan area defined in section 473F02, subdivision 2, into six regions. The organization shall establish and administer a capital seed fund in each of the six regions. The corporation shall provide an equal amount of state money for each fund. The organization shall use the state money provided for each fund to acquire equity interests in small businesses located within the fund's designated region.

Subd. 5. [PROGRAM CRITERIA.] The corporation must certify a capital seed fund before any money may be expended from the fund. Before a fund may be certified, the organization must demonstrate that at least \$3 of private investment has been committed to the proposed seed capital fund for every \$1 of state money appropriated to the fund.

Subd. 6. [INVESTMENT APPROVAL; LIABILITY.] The board shall establish an investment committee which consists of three members of the board who are knowledgeable in economic development and finance. The organization may not act on an investment proposal until it has received the evaluation and recommendations of the investment committee or until 45 days have elapsed since the proposal was submitted to the committee, whichever occurs first. An equity interest which the organization acquires with rural capital seed program funds may not include a general partnership interest or other interest involving general liability.

[Subd. 7. [REPORT.] The organization shall submit an annual report to the corporation by December 1 of each year. The report shall include the policies and procedures of each seed capital fund; the amount of private investment in each fund; the number, type, and amounts of investments in small businesses; and the number of new jobs created as a result of the investment. The corporation shall include the organization's report in the annual report which the corporation is required to submit to the legislature under section 10.

Subd. 8. [FUND LIQUIDATIONS.] The organization shall liquidate the capital seed funds by January 1, 2000, and the state's investments, including the capital appreciation of the state's interest in each fund, must be deposited in the greater Minnesota fund."

Page 17, line 3, delete "116P07" and insert "116P08"

Page 17, line 21, delete "116P08" and insert "116P09"

Page 17, line 26, delete "116P09" and insert "116P10"

Page 17, line 36, delete "116P10" and insert "116P11"

Page 20, line 1, delete "15" and insert "16"

Renumber the sections in sequence

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

Mr. Johnson, D.E. moved to amend S.F. No. 1 as follows:

Page 5, after line 16, insert:

"Subd. 3. [INFORMATION ASSISTANCE.] The board shall prepare an available rural worker list of individuals residing in the rural areas of the state who are interested in contracting with businesses for light manufacturing or assembly work. The board shall prepare and make available application forms for individuals to request placement on the list. The board shall distribute and make available copies of the list to businesses seeking light manufacturing or assembly work assistance."

Renumber the subdivisions in sequence

The motion prevailed. So the amendment was adopted.

Mr. Benson moved to amend S.F. No. 1 as follows:

Page 16, delete lines 9 to 16

Renumber the subdivisions in sequence

Page 17, line 25, delete "7" and insert "6"

Page 18, delete lines 28 to 36

Page 20, line 1, delete ", and"

Page 20, delete everything before the period

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

S.F. No. 1 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 47 and nays 19, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Kroening	Novak	Solon
Beckman	Davis	Langseth	Pehler	Spear
Berg	DeCramer	Lantry	Peterson, D.C.	Stumpf
Berglin	Dicklich	Lessard	Peterson, R.W.	Vickerman
Bernhagen	Diessner	Luther	Piper	Waldorf
Bertram	Frederickson, D.J.	Marty	Pogemiller	Wegscheid
Brandl	Freeman	Merriam	Purfeerst	Willet
Brataas	Gustafson	Metzen	Reichgott	
Chmielewski	Hughes	Moe, R.D.	Samuelson	
Cohen	Johnson, D.J.	Morse	Schmitz	

Those who voted in the negative were:

Anderson	Frederick	Knaak	McQuaid	Renneke
Belanger	Frederickson, D.R.	Knutson	Mehrkins	Storm
Benson	Johnson, D.E.	Laidig	Olson	Taylor
Frank	Jude	Larson	Ramstad	

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

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 26 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 26: A bill for an act relating to workers' compensation; providing for the organization and powers of the state compensation insurance fund; amending Minnesota Statutes 1986, sections 11A.24, subdivision 4; 176A.02, subdivisions 1 and 2; and 176A.04.

Mr. Frederickson, D.R. moved to amend H.F. No. 26, the unofficial engrossment, as follows:

Page 3, line 5, before the period, insert “;

(h) assets of participating public retirement plans and funds may not be invested in guaranty fund certificates, surplus notes, or debentures of domestic mutual insurance companies”

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

Mr. Frederick moved to amend H.F. No. 26, the unofficial engrossment, as follows:

Page 4, after line 31, insert:

“Sec. 5.

Notwithstanding any other law to the contrary, except for ex officio members, all members of the board of directors must be elected by the policyholders.”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 21 and nays 39, as follows:

Those who voted in the affirmative were:

Anderson	Bertram	Johnson, D.E.	Olson	Vickerman
Belanger	Brataas	Knaak	Ramstad	
Benson	Frederick	Laidig	Renneke	
Berg	Frederickson, D.R.	Larson	Storm	
Bernhagen	Gustafson	McQuaid	Taylor	

Those who voted in the negative were:

Adkins	Dicklich	Langseth	Morse	Samuelson
Beckman	Diessner	Lantry	Novak	Solon
Berglin	Frank	Lessard	Peterson, D.C.	Spear
Chmielewski	Frederickson, D.J.	Luther	Peterson, R. W.	Stumpf
Cohen	Freeman	Marty	Piper	Waldorf
Dahl	Hughes	Merriam	Pogemiller	Wegscheid
Davis	Jude	Metzen	Purfeerst	Willett
DeCramer	Kroening	Moe, R.D.	Reichgott	

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

Mr. Frederick then moved to amend H.F. No. 26, the unofficial engrossment, as follows:

Pages 1 to 3, delete section 1

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "11A.24, subdivision 4;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 36, as follows:

Those who voted in the affirmative were:

Anderson	Bernhagen	Gustafson	Lessard	Reichgott
Belanger	Bertram	Johnson, D.E.	McQuaid	Renneke
Benson	Frederick	Laidig	Olson	Storm
Berg	Frederickson, D.R.	Larson	Ramstad	Taylor

Those who voted in the negative were:

Adkins	Dicklich	Kroening	Morse	Vickerman
Beckman	Diessner	Langseth	Peterson, D.C.	Waldorf
Berglin	Frank	Lantry	Peterson, R. W.	Wegscheid
Chmielewski	Frederickson, D.J.	Luther	Piper	Willett
Cohen	Freeman	Marty	Pogemiller	
Dahl	Hughes	Merriam	Purfeerst	
Davis	Jude	Metzen	Spear	
DeCramer	Knaak	Moe, R.D.	Stumpf	

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

H.F. No. 26 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 19, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Langseth	Pehler	Spear
Beckman	Dicklich	Lantry	Peterson, D.C.	Stumpf
Berg	Diessner	Lessard	Peterson, R.W.	Vickerman
Berglin	Frank	Luther	Piper	Waldorf
Bertram	Frederickson, D.J.	Marty	Pogemiller	Wegscheid
Brandl	Freeman	Merriam	Purfeerst	Willet
Chmielewski	Hughes	Metzen	Reichgott	
Cohen	Johnson, D.J.	Moe, D.M.	Samuelson	
Dahl	Jude	Moe, R.D.	Schmitz	
Davis	Kroening	Novak	Solon	

Those who voted in the negative were:

Anderson	Brataas	Johnson, D.E.	McQuaid	Renneke
Belanger	Frederick	Knaak	Morse	Storm
Benson	Frederickson, D.R.	Laidig	Olson	Taylor
Bernhagen	Gustafson	Larson	Ramstad	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 317 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 317: A bill for an act relating to retirement; police and salaried firefighters relief associations; authorizing the voluntary consolidation of local relief associations with the public employees police and fire fund; authorizing the individual election of applicable benefit coverage upon consolidation; amending Minnesota Statutes 1986, sections 353.01, subdivisions 2b, 10, and 16; 353.271; 353.64, subdivision 1; and 353.65, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 353 and 356; proposing coding for new law as Minnesota Statutes, chapters 353A and 353B.

Mr. Wegscheid moved to amend S.F. No. 317 as follows:

Page 12, delete lines 32 to 36

Page 13, delete lines 1 to 4 and insert:

"Subd. 15. [LOCAL POLICE OR FIREFIGHTERS RELIEF ASSOCIATION.] "Local police or firefighters relief association" means a relief association governed by section 69.77, including the Duluth firefighters relief association, the Duluth police pension association, the St. Paul fire department relief association, and the St. Paul police relief association, but does not mean the Bloomington fire department relief association or a relief association that is a member of the Minnesota police pension council or the Minnesota professional firefighters pension council."

Page 13, delete lines 11 to 14

Page 13, line 15, delete everything before "a"

Page 13, line 18, delete "is" and insert "would" and after "not" insert "have met the definition of"

Page 13, line 19, before the comma, insert "under section 9, subdivision 15, on January 1, 1987"

Page 13, delete lines 23 to 36

Page 14, delete lines 1 to 6 and insert:

"Membership of the relief association" means the active, deferred, disabled, and retired members and the survivors of active, deferred, disabled, and retired members of a relief association. Volunteer firefighters or their survivors may not be included in determining the membership of a relief association."

Page 14, line 9, delete everything after "means"

Page 14, delete lines 10 to 17 and insert "ten percent of the membership of a local police or firefighters relief association or 30 percent of the membership of a relief association that would not have met the definition of a local police or firefighters relief association under section 9, subdivision 15, on January 1, 1987."

Page 15, line 28, after "a" insert "mailed"

Page 15, line 31, delete "absentee" and delete "and for"

Page 15, delete lines 32 and 33

Page 15, line 34, delete "is located"

Page 15, line 36, delete "local"

Page 17, line 5, delete everything before "minimum"

Page 17, line 8, delete everything after the comma

Page 17, delete lines 9 to 14

Page 17, line 15, delete the paragraph coding and delete "(b)"

Page 17, line 16, delete "submits" and insert "shall submit"

Page 18, line 9, delete "absentee" and before the comma, insert "as provided in section 9, subdivision 26"

Page 18, line 13, after the period, insert "A ballot must be provided to each active, deferred, or retired member and to the survivors of active, deferred, or retired members. A relief association shall distribute ballots by mail to the last known addresses of members or survivors at least 30 days before the deadline for their return to the association. An active, deferred, or retired member is entitled to one vote. The survivor or survivors of an active, deferred, or retired member is entitled to one vote. If there is more than one survivor, the vote must be cast by the eldest survivor if that person is of the age of majority or, if not, by the guardian of the eldest survivor."

Page 18, line 14, delete "If" and insert "When"

Page 18, line 15, delete everything after "is"

Page 18, line 16, delete everything before the second "the" and insert "approved by"

Page 18, line 19, delete "four" and insert "two"

Page 18, line 20, delete everything after "months"

Page 18, line 21, delete everything before the period

Page 25, line 30, delete everything after the period

Page 25, delete lines 31 to 36

Page 26, delete lines 1 and 2

- Page 31, line 21, delete "a" and insert "*the individual*"
- Page 31, line 23, delete "5" and insert "4"
- Page 31, line 24, delete "6" and insert "5"
- Page 31, line 27, after "*that*" insert "*individual*"
- Page 32, line 5, delete the second "*the*" and insert "*each*"
- Page 32, line 6, delete "*accounts*" and insert "*account*"
- Page 32, line 14, delete "*its*" and insert "*the*" and delete everything after "*in*"
- Page 32, line 15, delete "*association*" and insert "*its*"
- Page 35, line 23, delete "5" and insert "4"
- Page 38, line 9, delete "*subdivision*" and insert "*subdivisions 2 to*"
- Page 38, line 26, delete "*subdivision 4 or*" and insert "*subdivisions 2 to*" and delete "*paragraph (b), clause (1)*"
- Page 38, line 29, delete "*subdivision 4*" and insert "*subdivisions 2 to 6,*"
- Page 38, line 30, delete "*subdivision*" and insert "*subdivisions 2 to*" and delete "*, paragraph (b), clause*"
- Page 38, line 31, delete everything before the period
- Page 39, line 26, delete "5" and insert "4"
- Page 40, line 31, delete "*the*" and insert "*each*"
- Page 48, line 16, after the semicolon, insert "*and*"
- Page 48, delete line 17
- Page 48, line 18, delete "(7)" and insert "(6)"
- Page 52, delete lines 30 to 34 and insert:
- "(21) for a former member with less than 20 years of allowable service on June 16, 1985, 2.6 percent, and for a former member with 20 or more years of allowable service on June 16, 1985, 2.6175 percent for each of the first 20 years of allowable service and, for each former member, one percent for each year of allowable service in excess of 20 years, but no more than 30 years, St. Louis Park fire department relief association;"
- Page 53, line 14, delete "*and*"
- Page 53, line 22, before the period, insert "; and
- (26) 2.333 percent for each of the first 20 years of allowable service, 1.333 percent for each year of allowable service in excess of 20 years but no more than 28 years, and .5 percent for each year of allowable service in excess of 25 years, Winona fire department relief association"
- Page 57, line 8, delete everything after "(7)"
- Page 57, line 9, delete "(8)"
- Page 57, line 10, delete "(9)" and insert "(8)"
- Page 57, line 11, delete "(10)" and insert "(9)"
- Page 57, line 12, delete "(11)" and insert "(10)"

Page 57, line 13, delete "(12)" and insert "(11)"

Page 57, line 14, delete "(13)" and insert "(12)"

Page 57, line 15, delete "(14)" and insert "(13)"

Page 57, line 16, delete "(15)" and insert "(14)"

Page 57, line 17, delete "(16)" and insert "(15)"

Page 58, line 35, after "(6)" insert *"51.0625 percent of the salary base, Duluth firefighters relief association;*

(7)"

Page 59, line 5, delete "(7)" and insert "(8)"

Page 59, line 13, delete "(8)" and insert "(9)"

Page 59, line 14, delete "(9)" and insert "(10)"

Page 59, line 18, delete "(10)" and insert "(11)"

Page 59, line 23, delete "(11)" and insert "(12)"

Page 59, line 24, delete "21" and insert "20"

Page 59, line 32, delete "(12)" and insert "(13)"

Page 60, line 3, delete "(13)" and insert "(14)"

Page 71, line 22, after the semicolon, insert *"and"*

Page 71, line 23, delete *": and"* and insert a period

Page 71, delete line 24

Page 74, line 3, after "(11)" insert *"40 percent of the salary base for a surviving spouse of a deceased active member, disabled member, or retired or deferred member with at least 20 years of allowable service, or the prorated portion of 40 percent of the salary base that bears the same relationship to 40 percent that the deceased member's years of allowable service bear to 20 years of allowable service for the surviving spouse of a deceased retired or deferred member with at least 10 but less than 20 years of allowable service, St. Louis Park fire department relief association;*

(12)"

Page 74, line 5, delete "(12)" and insert "(13)"

Page 74, line 7, delete "(13)" and insert "(14)"

Page 74, line 9, delete "(14)" and insert "(15)"

Page 75, delete line 14

Page 75, line 15, delete "(3)" and insert "(2)"

Page 75, line 16, delete "(4)" and insert "(3)"

Page 77, line 18, after "(13)" insert *"five percent of the salary base if a surviving spouse benefit is also payable or 15 percent of the salary base if no surviving spouse benefit is also payable for the surviving child or children of a deceased active member, disabled member, or retired or deferred member with at least 20 years of active service, or the prorated portion of five percent of the salary base if a surviving spouse benefit is also payable or 15 percent of the salary base if no surviving spouse benefit is also payable that bears the same relationship to 5 or 15 percent that*

the deceased member's years of allowable service bear to 20 years of allowable service for the surviving child or children of a deceased retired or deferred member with at least 10 but less than 20 years of allowable service, St. Louis Park fire department relief association;

(14)"

Page 77, line 20, delete "(14)" and insert "(15)"

Page 78, line 16, delete "and"

Page 78, line 17, before the period, insert "; and

(6) *St. Louis Park fire department relief association"*

Page 80, delete lines 27 and 28

Page 80, line 29, delete "(9)" and insert "(8)"

Page 80, line 31, delete "(10)" and insert "(9)"

Page 80, line 35, delete "(11)" and insert "(10)"

Page 81, line 1, delete "(12)" and insert "(11)"

Page 81, delete line 28

Page 81, line 29, delete "(3)" and insert "(2)"

Page 81, line 30, delete "(4)" and insert "(3)"

Page 81, line 31, delete "(5)" and insert "(4)"

Page 81, line 32, delete "(6)" and insert "(5)"

The motion prevailed. So the amendment was adopted.

RECONSIDERATION

Having voted on the prevailing side, Mr. Wegscheid moved that the vote whereby the Wegscheid amendment to S.F. No. 317 was adopted on May 1, 1987, be now reconsidered. The motion prevailed.

Mr. Wegscheid moved to amend the amendment to S.F. No. 317 as follows:

Page 2, lines 30 and 31, after "*deferred*," insert "*disabled*,"

Page 3, after line 18, insert:

"Page 35, lines 6 and 12, delete "5" and insert "4" "

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

The question recurred on the first Wegscheid amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

Mr. Wegscheid then moved to amend S.F. No. 317 as follows:

Page 31, line 18, after "*establish*" insert "*separate*"

Page 31, line 19, delete "*accounts*" and insert "*account*"

Page 31, line 20, delete "*the municipalities*" and insert "*each municipality*" and delete "*consolidate*" and insert "*consolidates*"

Page 31, line 30, delete "*subdivision*" and insert "*subdivisions*" and after "2" insert "*and 3*"

The motion prevailed. So the amendment was adopted.

Mr. Waldorf moved to amend S.F. No. 317 as follows:

Page 10, line 25, before "It" insert:

"Subdivision 1. [VOLUNTARY CONSOLIDATION AUTHORIZED.]"

Page 10, after line 30, insert:

"Subd. 2. [SAVINGS CLAUSE.] A consolidation under sections 1 to 33 does not impair or diminish benefits for an active, deferred, or retired member or a survivor of an active, deferred, or retired member who elects to retain benefits under the relief association plan in existence at the time of a consolidation."

Page 16, line 24, delete everything before "notwithstanding"

Page 16, delete lines 29 to 36

Page 17, delete line 1

Page 21, line 23, delete everything after the period

Page 21, delete lines 24 to 30

Page 21, line 35, after "sections" insert "11A.09,"

Page 31, after line 9, insert:

"Subd. 7. [EFFECT OF COVERAGE BY LOCAL PLAN.] A person who, under this section, elects benefit coverage under the relief association benefit plan, or who fails to make a timely election of coverage under the public employees retirement association police and fire fund benefit plan, is a member of the relief association as administered by the public employees retirement association and has a right to benefits under the relief association benefit plan in effect on the effective date of the consolidation."

Renumber the subdivisions in sequence

Page 32, line 35, delete "municipal" and insert "local consolidation"

Page 33, lines 1 and 28, after "fund" insert "or to a local consolidation account"

Page 33, lines 2 and 29, delete "municipal" and insert "local consolidation" and after the period, insert "If there are insufficient assets in a local consolidation account to provide for the transfer of assets to the Minnesota postretirement investment fund or to provide for benefit payments, the municipality shall immediately provide the local consolidation account with the assets necessary to make the transfer or benefit payments."

Page 35, line 25, before "assets" insert "market value of the"

Page 35, line 27, delete "proportional" and delete everything after "amount"

Page 35, delete lines 28 to 30

Page 35, line 31, delete everything before "of"

Page 36, line 5, after "calendar" insert "year"

Page 37, line 2, after "the" insert "individual"

The motion prevailed. So the amendment was adopted.

S.F. No. 317 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 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Metzen	Reichgott
Anderson	Davis	Jude	Moe, D.M.	Renneke
Beckman	DeCramer	Knaak	Moe, R.D.	Samuelson
Belanger	Dicklich	Kroening	Morse	Solon
Benson	Diessner	Laidig	Novak	Spear
Berg	Frank	Langseth	Olson	Storm
Berglin	Frederick	Lantry	Pehler	Stumpf
Bernhagen	Frederickson, D.J.	Larson	Peterson, D.C.	Taylor
Bertram	Frederickson, D.R.	Lessard	Peterson, R.W.	Vickerman
Brandl	Freeman	Luther	Piper	Waldorf
Brataas	Gustafson	Marty	Pogemiller	Wegscheid
Chmielewski	Hughes	McQuaid	Purfeerst	Willet
Cohen	Johnson, D.E.	Merriam	Ramstad	

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

MOTIONS AND RESOLUTIONS - CONTINUED

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

CALENDAR

S.F. No. 1078: A bill for an act relating to commerce; regulating conventional loans; requiring an additional notice of default under certain circumstances; amending Minnesota Statutes 1986, section 47.20, subdivision 8.

Was read the third time 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 63 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Moe, D.M.	Renneke
Anderson	Davis	Jude	Moe, R.D.	Samuelson
Beckman	DeCramer	Knaak	Morse	Schmitz
Belanger	Dicklich	Laidig	Novak	Solon
Benson	Diessner	Langseth	Olson	Spear
Berg	Frank	Lantry	Pehler	Storm
Berglin	Frederick	Larson	Peterson, D.C.	Stumpf
Bernhagen	Frederickson, D.J.	Lessard	Peterson, R.W.	Taylor
Bertram	Frederickson, D.R.	Luther	Piper	Vickerman
Brandl	Freeman	Marty	Pogemiller	Waldorf
Brataas	Gustafson	McQuaid	Purfeerst	Wegscheid
Chmielewski	Hughes	Merriam	Ramstad	
Cohen	Johnson, D.E.	Metzen	Reichgott	

Mr. Willet voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 604: A bill for an act relating to elections; regulating lobbyist and candidate activities and contributions; amending Minnesota Statutes 1986, sections 10A.01, subdivision 15; 10A.04, subdivisions 2 and 4; and 10A.15, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 10A.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 14, as follows:

Those who voted in the affirmative were:

Anderson	Cohen	Hughes	Merriam	Piper
Beckman	Dahl	Johnson, D.E.	Metzen	Pogemiller
Belanger	Davis	Jude	Moe, D.M.	Ramstad
Benson	DeCramer	Knaak	Moe, R.D.	Reichgott
Berg	Diessner	Laidig	Morse	Renneke
Berglin	Frederick	Lantry	Novak	Samuelson
Bernhagen	Frederickson, D.J.	Lessard	Olson	Storm
Bertram	Frederickson, D.R.	Luther	Pehler	Stumpf
Brandl	Freeman	Marty	Peterson, D.C.	Taylor
Brataas	Gustafson	McQuaid	Peterson, R.W.	Vickerman

Those who voted in the negative were:

Adkins	Frank	Langseth	Solon	Wegscheid
Chmielewski	Johnson, D.J.	Purfeerst	Spear	Willett
Dicklich	Kroening	Schmitz	Waldorf	

So the bill passed and its title was agreed to.

S.F. No. 823: A bill for an act relating to banking; authorizing the acquisition of banks for operation as detached banking facilities in the city of Duluth and adjacent municipalities.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Moe, R.D.	Samuelson
Anderson	Dicklich	Kroening	Morse	Schmitz
Beckman	Diessner	Laidig	Novak	Solon
Belanger	Frank	Langseth	Olson	Spear
Benson	Frederick	Lantry	Pehler	Storm
Berg	Frederickson, D.J.	Larson	Peterson, D.C.	Stumpf
Berglin	Frederickson, D.R.	Lessard	Peterson, R.W.	Taylor
Bernhagen	Freeman	Luther	Piper	Vickerman
Brandl	Gustafson	Marty	Pogemiller	Waldorf
Brataas	Hughes	McQuaid	Purfeerst	Wegscheid
Chmielewski	Johnson, D.E.	Merriam	Ramstad	Willett
Cohen	Johnson, D.J.	Metzen	Reichgott	
Davis	Jude	Moe, D.M.	Renneke	

Messrs. Bertram and Dahl voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 461: A bill for an act relating to natural resources; changing certain provisions relating to the sale of state timber; eliminating laws relating to white pine blister rust control and cutting notices; amending Minnesota Statutes 1986, sections 88.49, subdivisions 5, 9, and 11; 90.031, subdivision 3; 90.041, subdivision 2; 90.101, subdivision 1; 90.14; 90.151, subdivisions 1 and 13; 90.161, subdivision 1; 90.173; and 97A.205; repealing Minnesota Statutes 1986, sections 18.431 to 18.436 and 88.13.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Moe, D.M.	Samuelson
Anderson	Davis	Jude	Moe, R.D.	Schmitz
Beckman	DeCramer	Kroening	Morse	Solon
Belanger	Dicklich	Laidig	Novak	Spear
Benson	Diessner	Langseth	Olson	Storm
Berg	Frank	Lantry	Pehler	Stumpf
Berglin	Frederick	Larson	Peterson, D.C.	Taylor
Bernhagen	Frederickson, D.J.	Lessard	Peterson, R.W.	Vickerman
Bertram	Frederickson, D.R.	Luther	Piper	Waldorf
Brandl	Freeman	Marty	Purfeerst	Wegscheid
Brataas	Gustafson	McQuaid	Ramstad	Willet
Chmielewski	Hughes	Merriam	Reichgott	
Cohen	Johnson, D.E.	Metzen	Renneke	

So the bill passed and its title was agreed to.

S.F. No. 385: A bill for an act relating to game and fish; clarifying and making technical changes in the game and fish laws; recodifying establishment of the wild rice management account; defining enforcement officer; defining brown trout as a game fish; defining an unloaded firearm; allowing the commissioner to use the game and fish fund for activities of the enforcement division; designating notices to be placed on state park and wildlife management area boundaries; changing the expiration date for muskrat farm licenses; removing certain restrictions on the size of shooting preserves; prescribing violations of hunting while under the influence of alcohol or a controlled substance; providing when license must be in personal possession; allowing more than one license, except a big game license, to be issued in a license year; exempting big game licenses from certain types of license revocations; prescribing submission of annual reports for tanners, fur dealers, and taxidermists; providing a nonresident under age 16 may purchase a nonresident fishing license and take and possess fish; prescribing conditions for oath administration; eliminating certain requirements for wild animals that are gifts; allowing a person to transport more than one big game animal; eliminating certain restrictions on transporting big game animals; prohibiting a person from trespassing to retrieve wounded game after being notified; allowing a person to ship more than one fish with a permit; prescribing permission needed to take wild animals in certain areas; allowing possession of shotgun and certain shells in areas where deer may be taken; allowing persons to take raccoons with lights and firearms at night; clarifying that a small game license is not required to pursue and tree raccoons during the closed season; authorizing the commissioner to restrict the taking of pine marten and opossum; eliminating requirement for a license and seals to take beaver damaging property; prescribing when certain devices to take fish may be possessed; amending Minnesota Statutes 1986, sections 84.0894; 84.928, subdivision 7; 84.944, subdivisions 1, 2, and 3; 85.41, subdivision 2; 97A.015, subdivisions 18, 25, 43, 45, and 51; 97A.055, subdivision 1; 97A.065, subdivision 2; 97A.075, subdivision 1; 97A.085, subdivisions 5 and 7; 97A.111, subdivisions 2 and 7; 97A.115, subdivision 3; 97A.121, subdivision 5; 97A.135, subdivision 1; 97A.201, subdivision 1; 97A.211, subdivisions 1 and 2; 97A.221, subdivision 1; 97A.255, subdivision 2; 97A.311, subdivision 4; 97A.315, subdivision 2; 97A.325, subdivision 1; 97A.331, subdivision 1; 97A.405, subdivision 2; 97A.415, subdivision 1; 97A.421, subdivision 1; 97A.425, subdivision 3; 97A.445, subdivision 3; 97A.451, subdivisions 1 and 5; 97A.475, subdivision 7; 97A.481; 97A.505, subdivisions 4 and 5; 97A.535, subdivisions 3 and 4; 97A.545, subdivision 4; 97A.551, subdivision 3; 97B.001, subdivisions 3, 5, and 7; 97B.041; 97B.061; 97B.065; 97B.081,

subdivision 1; 97B.601, subdivision 4; 97B.605; 97B.635; 97B.655, subdivision 2; 97B.701, subdivision 2; 97C.345, subdivisions 2 and 3; 106A.085, subdivision 1; 106A.401, subdivision 1; 106A.615, subdivision 6; 144.95, subdivision 4; and 626.861, subdivision 4; repealing Minnesota Statutes 1986, sections 97A.065, subdivision 4; 97A.255, subdivision 3; 97A.461; 97A.505, subdivisions 1, 3, and 6; 97A.551, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 84.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Metzen	Reichgott
Anderson	Davis	Jude	Moe, D.M.	Renneke
Beckman	DeCramer	Knaak	Moe, R.D.	Samuelson
Belanger	Dicklich	Kroening	Morse	Schmitz
Benson	Diessner	Laidig	Novak	Solon
Berg	Frank	Langseth	Olson	Spear
Berglin	Frederick	Lantry	Pehler	Storm
Bernhagen	Frederickson, D.J.	Larson	Peterson, D.C.	Stumpf
Bertram	Frederickson, D.R.	Lessard	Peterson, R.W.	Taylor
Brandl	Freeman	Luther	Piper	Vickerman
Brataas	Gustafson	Marty	Pogemiller	Waldorf
Chmielewski	Hughes	McQuaid	Purfeerst	Wegscheid
Cohen	Johnson, D.E.	Merriam	Ramstad	Willet

So the bill passed and its title was agreed to.

S.F. No. 1053: A bill for an act relating to alcoholic beverages; providing for the licensing of low-volume brewers; allowing them to be granted an on-sale intoxicating liquor or nonintoxicating malt liquor license; amending Minnesota Statutes 1986, section 340A.301, subdivisions 6 and 7.

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 64 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Jude	Moe, D.M.	Renneke
Anderson	DeCramer	Knaak	Moe, R.D.	Samuelson
Beckman	Dicklich	Kroening	Morse	Schmitz
Belanger	Diessner	Laidig	Novak	Solon
Benson	Frank	Langseth	Olson	Spear
Berg	Frederick	Lantry	Pehler	Storm
Berglin	Frederickson, D.J.	Larson	Peterson, D.C.	Stumpf
Bernhagen	Frederickson, D.R.	Lessard	Peterson, R.W.	Taylor
Bertram	Freeman	Luther	Piper	Vickerman
Brandl	Gustafson	Marty	Pogemiller	Waldorf
Brataas	Hughes	McQuaid	Purfeerst	Wegscheid
Cohen	Johnson, D.E.	Merriam	Ramstad	Willet
Dahl	Johnson, D.J.	Metzen	Reichgott	

Mr. Chmielewski voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 948: A bill for an act relating to crimes; permitting evidence showing a tendency to fabricate allegations of sexual assault; requiring three days' notice of intent to introduce evidence of victim's prior sexual conduct; amending Minnesota Statutes 1986, section 609.347, subdivisions

3, 4, and 6.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Moe, D.M.	Renneke
Anderson	Davis	Jude	Moe, R.D.	Samuelson
Beckman	DeCramer	Kroening	Morse	Schmitz
Belanger	Dicklich	Laidig	Novak	Solon
Benson	Diessner	Langseth	Olson	Spear
Berg	Frank	Lantry	Pehler	Storm
Berglin	Frederick	Larson	Peterson, D.C.	Stumpf
Bernhagen	Frederickson, D.J.	Lessard	Peterson, R.W.	Taylor
Bertram	Frederickson, D.R.	Luther	Piper	Vickerman
Brandl	Freeman	Marty	Pogemiller	Waldorf
Brataas	Gustafson	McQuaid	Purfeerst	Wegscheid
Chmielewski	Hughes	Merriam	Ramstad	Willet
Cohen	Johnson, D.E.	Metzen	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 605: A bill for an act relating to crimes; defining the crime of using police radios while committing a criminal act; prescribing penalties; amending Minnesota Statutes 1986, section 609.035; proposing coding for new law in Minnesota Statutes, chapter 609.

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 38 and nays 13, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Morse	Solon
Beckman	Davis	Jude	Novak	Spear
Berglin	Dicklich	Langseth	Pehler	Stumpf
Bernhagen	Diessner	Lessard	Peterson, D.C.	Vickerman
Bertram	Frank	Luther	Purfeerst	Wegscheid
Brandl	Frederickson, D.J.	McQuaid	Ramstad	Willet
Chmielewski	Hughes	Merriam	Reichgott	
Cohen	Johnson, D.E.	Moe, R.D.	Samuelson	

Those who voted in the negative were:

Anderson	Berg	Knaak	Metzen	Waldorf
Belanger	Brataas	Laidig	Schmitz	
Benson	Freeman	Lantry	Storm	

So the bill passed and its title was agreed to.

S.F. No. 833: A bill for an act relating to insurance; regulating trade practices; authorizing the payment of differing amounts of reimbursement to insured under individual policies; amending Minnesota Statutes 1986, section 72A.20, subdivision 15.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Metzen	Reichgott
Anderson	Davis	Jude	Moe, D.M.	Renneke
Beckman	DeCramer	Knaak	Moe, R.D.	Samuelson
Belanger	Dicklich	Kroening	Morse	Schmitz
Benson	Diessner	Laidig	Novak	Solon
Berg	Frank	Langseth	Olson	Spear
Berglin	Frederick	Lantry	Pehler	Storm
Bernhagen	Frederickson, D.J.	Larson	Peterson, D.C.	Stumpf
Bertram	Frederickson, D.R.	Lessard	Peterson, R.W.	Taylor
Brandl	Freeman	Luther	Piper	Vickerman
Brataas	Gustafson	Marty	Pogemiller	Waldorf
Chmielewski	Hughes	McQuaid	Purfeerst	Wegscheid
Cohen	Johnson, D.E.	Merriam	Ramstad	Willet

So the bill passed and its title was agreed to.

S.F. No. 79: A bill for an act relating to occupations and professions; generally revising and updating the laws relating to licensure of podiatrists; providing for definitions, licensing, practice without a license, disciplinary action, and investigations; providing penalties; amending Minnesota Statutes 1986, sections 153.01, subdivisions 2 and 3; 153.02; 153.03; 214.01; and 319A.02; proposing coding for new law in Minnesota Statutes, chapter 153; repealing Minnesota Statutes 1986, sections 153.01, subdivision 4; 153.04 to 153.09; 153.13; 153.14; and 153.15.

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 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Jude	Moe, D.M.	Renneke
Anderson	DeCramer	Knaak	Moe, R.D.	Samuelson
Beckman	Dicklich	Kroening	Morse	Schmitz
Benson	Diessner	Laidig	Novak	Solon
Berg	Frank	Langseth	Olson	Spear
Berglin	Frederick	Lantry	Pehler	Storm
Bernhagen	Frederickson, D.J.	Larson	Peterson, D.C.	Stumpf
Bertram	Frederickson, D.R.	Lessard	Peterson, R.W.	Taylor
Brandl	Freeman	Luther	Piper	Vickerman
Brataas	Gustafson	Marty	Pogemiller	Waldorf
Chmielewski	Hughes	McQuaid	Purfeerst	Wegscheid
Cohen	Johnson, D.E.	Merriam	Ramstad	Willet
Dahl	Johnson, D.J.	Metzen	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 578: A bill for an act relating to business corporations; regulating the organization and operation of business corporations; providing for indemnification; providing voting rights; providing for the value, issuance, pledging, and acquisition of shares; and providing for payment on the return of shares; amending Minnesota Statutes 1986, sections 300.08, subdivision 1; 300.083, subdivisions 1, 4, 8, and by adding a subdivision; 302A.011, subdivision 40; 302A.111, subdivisions 2 and 3; 302A.133; 302A.135, subdivision 4, and by adding a subdivision; 302A.137; 302A.139; 302A.141, by adding a subdivision; 302A.161, subdivision 22; 302A.201, subdivision 2; 302A.255, subdivision 1; 302A.401, subdivision 3; 302A.405, subdivisions 1 and 2; 302A.409, subdivision 3; 302A.413, subdivision 5; 302A.433, subdivision 3; 302A.435, subdivision 2; 302A.437, subdivision 2; 302A.447, subdivision 7; 302A.455; 302A.457, subdivisions 1 and 2; 302A.473, subdivisions 1, 5, 6, and 7; 302A.501, subdivision 1; 302A.521, subdivisions 1, 4, and 8, and by adding a subdivision; 302A.553, subdivision 1; 302A.727;

302A.729; 302A.733, subdivisions 1 and 2; and 302A.781; proposing coding for new law in Minnesota Statutes, chapter 302A.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Metzen	Reichgott
Anderson	Davis	Jude	Moe, D.M.	Renneke
Beckman	DeCramer	Knaak	Moe, R.D.	Samuelson
Belanger	Dicklich	Kroening	Morse	Schmitz
Benson	Diessner	Laidig	Novak	Solon
Berg	Frank	Langseth	Olson	Spear
Berglin	Frederick	Lantry	Pehler	Storm
Bernhagen	Frederickson, D.J.	Larson	Peterson, D.C.	Stumpf
Bertram	Frederickson, D.R.	Lessard	Peterson, R.W.	Taylor
Brandl	Freeman	Luther	Piper	Vickerman
Brataas	Gustafson	Marty	Pogemiller	Waldorf
Chmielewski	Hughes	McQuaid	Purfeerst	Wegscheid
Cohen	Johnson, D.E.	Merriam	Ramstad	Willet

So the bill passed and its title was agreed to.

S.F. No. 607: A bill for an act relating to traffic regulations; peace officers; authorizing peace officers to inspect for regulated tires; amending Minnesota Statutes 1986, section 169.725.

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

The question was taken on the passage of the bill.

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

The roll was called, and there were yeas 29 and nays 5, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Lessard	Novak	Schmitz
Beckman	Diessner	Luther	Pehler	Solon
Bertram	Frank	McQuaid	Piper	Spear
Chmielewski	Frederickson, D.J.	Moe, D.M.	Pogemiller	Vickerman
Cohen	Hughes	Moe, R.D.	Purfeerst	Wegscheid
Dahl	Johnson, D.J.	Morse	Samuelson	

Those who voted in the negative were:

Davis	Kroening	Langseth	Stumpf	Willet
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So the bill failed to pass.

H.F. No. 1009: A bill for an act relating to transportation; providing for standards for special transportation service; requiring changes in the administration of special transportation service in the metropolitan area; amending Minnesota Statutes 1986, sections 174.30, subdivisions 1, 2, 4, 6, 7, and by adding subdivisions; 473.386, subdivisions 1, 2, 3, 4, and 6; repealing Minnesota Statutes 1986, section 473.386, subdivision 7.

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 64 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.J.	Metzen	Reichgott
Anderson	Davis	Jude	Moe, D.M.	Renneke
Beckman	DeCramer	Knaak	Moe, R.D.	Samuelson
Belanger	Dicklich	Kroening	Morse	Schmitz
Benson	Diessner	Laidig	Novak	Solon
Berg	Frank	Langseth	Olson	Spear
Berglin	Frederick	Lantry	Pehler	Storm
Bernhagen	Frederickson, D.J.	Larson	Peterson, D.C.	Taylor
Bertram	Frederickson, D.R.	Lessard	Peterson, R.W.	Vickerman
Brandl	Freeman	Luther	Piper	Waldorf
Brataas	Gustafson	Marty	Pogemiller	Wegscheid
Chmielewski	Hughes	McQuaid	Purfeerst	Willet
Cohen	Johnson, D.E.	Merriam	Ramstad	

Mr. Stumpf voted in the negative.

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Orders of Business of Messages From the House, Reports of Committees, Second Reading of Senate Bills and Second Reading of House Bills. The motion prevailed.

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. 1515: A bill for an act relating to higher education; appropriating money for education and related purposes to the higher education coordinating board, state board of vocational technical education, state board for community colleges, state university board, University of Minnesota, the Mayo medical foundation, and the Minnesota job skills partnership board, with certain conditions; amending Minnesota Statutes 1986, sections 135A.03, subdivision 1; 136A.101, by adding a subdivision; 136A.111, by adding a subdivision; 136A.121, subdivisions 4 and 5; 136A.132, subdivisions 3, 6, and 7; 136A.233, subdivisions 1 and 2; 136A.85; 136A.86, subdivisions 1 and 2; 136A.87; 137.31, subdivision 3; and 645.445, subdivision 5; Laws 1983, chapter 334, section 7; repealing Minnesota Statutes 1986, section 136.09, subdivision 3.

Senate File No. 1515 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 1, 1987

Mr. Waldorf moved that the Senate do not concur in the amendments by the House to S.F. No. 1515, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

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 workers' compensation; providing a permanent partial disability rating for certain losses; proposing coding for new law in Minnesota Statutes, chapter 176.

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

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 1, 1987

CONCURRENCE AND REPASSAGE

Mr. Belanger 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 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 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Jude	Moe, D.M.	Renneke
Anderson	Davis	Knaak	Moe, R.D.	Schmitz
Beckman	DeCramer	Kroening	Morse	Solon
Belanger	Dicklich	Laidig	Novak	Spear
Benson	Diessner	Langseth	Olson	Storm
Berg	Frank	Lantry	Pehler	Stumpf
Berglin	Frederick	Larson	Peterson, D.C.	Taylor
Bernhagen	Frederickson, D.J.	Lessard	Peterson, R.W.	Vickerman
Bertram	Frederickson, D.R.	Luther	Piper	Waldorf
Brandl	Freeman	Marty	Pogemiller	Wegscheid
Brataas	Hughes	McQuaid	Purfeerst	Willet
Chmielewski	Johnson, D.E.	Merriam	Ramstad	
Cohen	Johnson, D.J.	Metzen	Reichgott	

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

REPORTS OF COMMITTEES

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 703: A bill for an act relating to occupations and professions; providing for the licensure of private detectives and protective agents; providing definitions; providing board powers and duties; specifying application and administrative procedure; authorizing rulemaking; requiring payment of fees; providing penalties; amending Minnesota Statutes 1986, sections 326.32, subdivisions 1, 5, 11, and by adding subdivisions; 326.33, subdivisions 1 and 2; 326.336; 326.338, subdivision 1, and by adding a subdivision; and 326.339; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1986, sections 326.32, subdivisions 6 and 7; 326.33, subdivisions 3, 4, and 5; 326.331; 326.332;

326.333; 326.334; 326.337; and 326.338, subdivisions 2 and 3.

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

Page 3, line 1, after the comma, insert "*and the following members appointed by the commissioner of public safety:*"

Page 4, line 21, before "An" insert "*The board shall appoint*"

Page 4, line 22, delete everything before "*serve*" and insert "*to*"

Page 5, line 12, before the semicolon, insert "*or an investigator employed exclusively by an attorney or a law firm engaged in investigating legal matters*"

Page 5, line 20, delete "*or*"

Page 5, line 24, before the period, insert "*;* or

(7) persons engaged in responding to alarm signals including, but not limited to, fire alarms, industrial process failure alarms and burglary alarms, for purposes of maintaining, repairing or resetting the alarm, or for opening the premises for law enforcement personnel or responding agents"

Page 6, lines 16, 18, and 19, delete "*shall*" and insert "*must*"

Page 7, line 16, delete "*, with or*"

Page 7, lines 17 and 18, delete the new language

Page 12, line 14, before "*No*" insert "*(a)*"

Page 12, line 15, delete the second "*a*" and insert "*the applicant has complied with the requirements in this subdivision.*"

Page 12, delete lines 16 to 19 and insert:

"(b) The applicant shall execute a surety bond to the state of Minnesota in the penal sum of \$10,000 and file it with the board. The surety bond must be executed by a company authorized to do business in the state of Minnesota, must name the applicant as principal, and must state that the applicant and each of the applicant's employees shall faithfully observe all of the laws of Minnesota and of the United States and shall pay all damages suffered by any person by reason of a violation of law by the applicant or by the commission of any willful and malicious wrong by the applicant in the course of business.

(c) The applicant shall furnish proof, acceptable to the board, of the applicant's ability to respond in damages for liability on account of accidents or wrongdoings arising out of the ownership and operation of a private detective or protective agent business. Compliance with paragraph (d), (e), or (f) is satisfactory proof of financial responsibility for purposes of this paragraph.

(d) The applicant may file with the board a certificate of insurance demonstrating coverage for general liability, completed operations, and personal injury. Personal injury insurance must include coverage for:

(1) false arrest, detention, imprisonment, and malicious prosecution;

(2) libel, slander, defamation, and violation of rights of privacy; and

(3) wrongful entry, eviction, and other invasion of rights of private

occupancy.

The certificate must provide that the insurance may not be modified or canceled unless 30 days prior notice is given to the board.

(e) The applicant may file with the board an annual net worth statement, signed by a licensed certified public accountant, evidencing that the applicant has a net worth of at least the following:

- (1) for an applicant with no employees, \$10,000;*
- (2) for an applicant with one to ten employees, \$15,000;*
- (3) for an applicant with 11 to 25 employees, \$25,000;*
- (4) for an applicant with 26 to 50 employees, \$50,000; or*
- (5) for an applicant with 51 or more employees, \$100,000.*

Data indicating with which of the above requirements an applicant must comply is public data. The contents of the net worth statement are private data on individuals or nonpublic data, as defined in section 13.02.

(f) The applicant may file with the board an irrevocable letter of credit from a financial institution acceptable to the board in the amount listed in the appropriate category in paragraph (e)."

Page 13, line 5, delete "INSURANCE" and insert "BOND AND PROOF OF FINANCIAL RESPONSIBILITY"

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

Page 13, line 7, delete everything before "in" and insert "\$10,000 surety bond, and show proof of financial responsibility as required"

Page 13, line 10, after "shall" insert ", in a manner that implies that the person is an employee or agent of a governmental agency,"

Page 13, line 13, after "patrol," insert "'sheriff,'"

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1479: A bill for an act relating to economic development; establishing the Minnesota council on productivity and quality; assigning its powers and duties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1437: A bill for an act relating to economic development; providing for review of state-funded scientific and technologically related research; creating a division of science and technology within the department of energy and economic development; creating a committee on science and technology research and development and providing for its powers and

duties; amending Minnesota Statutes 1986, section 116J.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1986, section 116J.94.

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

Pages 1 and 2, delete section 1

Page 2, lines 5 and 6, delete "RESEARCH DIVISION" and insert "OFFICE"

Page 2, line 7, delete everything after "The" and insert "*commissioner shall establish an*"

Page 2, line 8, delete "*division*" and insert "*office of science and technology, which*"

Page 2, lines 10 and 24, delete "3" and insert "2"

Page 3, delete lines 15 to 32 and insert:

"Subdivision 1. [MEMBERSHIP] The permanent committee on science and technology research and development consists of:

(1) a chair appointed by the governor to a four-year term;

(2) eight members appointed by the governor to six-year terms;

(3) one member appointed by the speaker of the house of representatives at the beginning of each biennium to a two-year term;

(4) one member appointed by the minority leader of the house of representatives at the beginning of each biennium to a two-year term;

(5) one member appointed by the majority leader of the senate at the beginning of each biennium to a two-year term; and

(6) one member appointed by the minority leader of the senate at the beginning of each biennium to a two-year term.

At least one member must be appointed from each of the regions established in subdivision 2."

Page 4, line 5, before "The" insert "*Members of*"

Page 4, line 6, delete "*shall be comprised of persons*" and insert "*must be*"

Page 4, line 11, delete "*duties of the*" and delete "*are to*" and insert "*shall*"

Page 4, lines 13, 16, and 25, delete "2" and insert "1"

Page 4, line 34, delete "*shall*"

Page 4, line 35, delete "*shall be paid*" and insert "*payment of*" and delete "*under*" and insert "*is governed by*"

Page 5, line 27, delete "2" and insert "1"

Page 6, line 10, delete "2" and insert "1"

Page 6, line 29, delete "3" and insert "2"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "a division" and insert "an office"

Page 1, line 8, delete everything after the semicolon

Page 1, line 9, delete everything before "proposing"

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

H.F. No. 257: A bill for an act relating to state government; requiring the board of investments to adopt an investment policy; authorizing certain investments by the board of investments; providing that certain state employees who are eligible to retire are eligible for state-paid insurance benefits; modifying definition of terms and conditions of employment for public employees; amending Minnesota Statutes 1986, sections 11A.04; 11A.24, subdivisions 2, 4, 5, and 6; 11A.25; 43A.24, subdivision 2; and 179A.03, subdivision 19.

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

Pages 1 to 7, delete sections 1 to 6

Page 10, line 9, after "include" insert "eligibility of a retired employee for inclusion, at the employee's expense, in a group health insurance plan, payment of accumulated vacation leave, severance pay, or"

Page 10, line 10, delete "up to age 65" and insert "under section 43A.24 or 465.72"

Page 10, after line 10, insert:

"Sec. 9. Minnesota Statutes 1986, section 465.72, is amended to read: 465.72 [SEVERANCE PAY.]

~~Subdivision 1. [PAYMENT; LIMITS.]~~ Except as may otherwise be provided in Laws 1959, chapter 690, as amended, any county, city, township, school district or other governmental subdivision may pay severance pay to its employees and promulgate rules for the payment of severance pay to an employee who leaves employment on or before or subsequent to the normal retirement date. Severance pay ~~shall~~ *also does not* include the payment of accumulated vacation leave, ~~and does not include compensation for accumulated sick leave or a combination thereof in the form of periodic contributions by an employer toward premiums for group insurance policies for a former employee between the ages of 54 and 66. The Payment of accumulated vacation leave and severance pay shall~~ must be excluded from retirement deductions and from any calculations in retirement benefits. ~~It shall~~ *Severance pay must* be paid in a manner mutually agreeable to the employee and employer and, ~~except as provided in subdivision 2,~~ over a period not to exceed five years from retirement or termination of employment. If a retired or terminated employee dies before all or a portion of the severance pay has been disbursed, that balance due shall be paid to a named beneficiary or, lacking same, to the deceased's estate. ~~Except as provided in subdivision 2, in no event shall~~ Severance pay provided for an employee leaving employment *may not* exceed an amount equivalent to one year of pay.

Subd. 2. [EXCEPTIONS.] The provisions of subdivision 1 requiring that severance pay be paid over a period not to exceed five years from retirement or termination of employment and limiting severance pay to an amount equal to one year of pay do not apply to severance pay constituting Compensation for accumulated sick leave in the form of periodic contributions toward premiums for group insurance policies provided for a former employee by a governmental subdivision *must be paid over a period not to exceed ten years from retirement or termination of employment and may not continue past age 65.*

This subdivision applies only to periodic contributions that have commenced before the effective date of Laws 1986, chapter 455 or that are required under contracts; or, with respect to employees not covered by contracts, personnel policies, formally adopted by the governing body of the governmental subdivision, in existence on the effective date of Laws 1986, chapter 455. After the effective date of Laws 1986, chapter 455, a governmental subdivision may not enter into a contract or adopt a personnel policy providing for a payment in violation of subdivision 1. A personnel policy or portion of a personnel policy in existence on the effective date of Laws 1986, chapter 455 and providing for a payment in violation of subdivision 1 is null and void (i) upon the expiration of a collective bargaining agreement containing a similar provision and covering employees of the governmental subdivision that has adopted the policy, or (ii) two years from the effective date of Laws 1986, chapter 455, whichever is earlier. Any payments by governmental subdivisions in accordance with this subdivision before the effective date of Laws 1986, chapter 455 are validated."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete everything after "to" and insert "public employment;"

Page 1, delete lines 3 and 4

Page 1, line 8, after the semicolon, insert "modifying severance pay;"

Page 1, line 9, delete "11A.04;"

Page 1, line 10, delete everything before "43A.24,"

Page 1, line 11, delete "and" and before the period, insert "; and 465.72"

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1085: A bill for an act relating to occupations and professions; establishing an office of social work and mental health boards; establishing a board of social work; regulating and licensing social workers; establishing a board of marriage and family therapy; licensing and regulating marriage and family therapists; establishing a board of unlicensed mental health service providers; regulating unlicensed mental health service providers; providing penalties; appropriating money; amending Minnesota Statutes 1986, sections 144.335, subdivision 1; 148A.01, subdivision 5; 214.01, subdivision 2; 214.04, subdivision 3; and 609.341, subdivision 17; proposing coding for new law as Minnesota Statutes, chapter 148B.

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

Pages 1 to 14, delete article 1

Page 15, line 3, delete "148B.21" and insert "148B.01"

Page 16, line 16, delete "means" and insert "includes" and delete "social work" and insert "psychosocial"

Page 16, line 21, delete everything after the period

Page 16, delete lines 22 to 25

Page 16, line 26, after "practice" insert "also" and delete "but is not limited to"

Page 16, delete line 29

Page 16, line 30, delete everything before "and"

Page 17, line 25, delete "148B.22" and insert "148B.02"

Page 18, line 18, delete "148B.23" and insert "148B.03"

Page 20, line 1, delete "148B.24" and insert "148B.04"

Page 21, line 33, delete "148B.25" and insert "148B.05"

Page 22, line 5, delete "148B.26" and insert "148B.06"

Page 22, line 11, delete "148B.27" and insert "148B.07"

Page 23, line 32, delete "148B.28" and insert "148B.08"

Page 24, line 2, delete "148B.29" and insert "148B.09"

Page 24, line 4, delete "148B.30" and insert "148B.10"

Page 24, line 26, delete "148B.31" and insert "148B.11"

Page 24, line 29, after "practice" insert "for remuneration"

Page 24, line 32, before the period, insert "or is listed under article 2, section 3"

Page 25, line 7, delete "148B.32" and insert "148B.12"

Page 25, line 24, delete "to engage" and insert "from engaging"

Page 25, after line 27, insert:

"Subd. 3. [FEDERALLY RECOGNIZED TRIBES AND PRIVATE NON-PROFIT AGENCIES WITH A MINORITY FOCUS.] The licensing of social workers who are employed by federally recognized tribes or by private nonprofit agencies, whose primary service focus addresses ethnic minority populations, and who are themselves members of ethnic minority populations, is voluntary."

Pages 25 to 31, delete article 3

Page 31, line 15, delete "UNLICENSED"

Page 31, line 16, delete "148B.61" and insert "148B.21"

Page 31, line 28, delete "2" and insert "I"

Page 31, lines 28 and 29, delete "the board of marriage and family therapy under article 3, sections 1 to 11;"

Page 32, line 4, delete "148B.62" and insert "148B.22" and delete "UNLICENSED"

Page 32, line 6, delete "*unlicensed*"

Page 32, line 34, delete "148B.63" and insert "148B.23"

Page 33, line 35, delete "148B.64" and insert "148B.24"

Page 34, line 7, delete "148B.65" and insert "148B.25"

Page 37, line 26, delete "148B.66" and insert "148B.26"

Page 38, line 19, delete "148B.67" and insert "148B.27"

Page 40, line 16, delete "148B.68" and insert "148B.28"

Page 40, line 22, delete everything after "1."

Page 40, delete lines 23 to 28

Page 40, line 29, delete "*Subd. 2.*" and delete "UNLICENSED"

Page 40, line 30, delete "*unlicensed*"

Page 40, line 31, delete "*activities*" and insert "*recommendations regarding licensure of mental health service providers*"

Page 40, line 36, delete "3" and insert "2"

Page 41, line 10, delete "4" and insert "2"

Renumber the articles in sequence

Delete the title and insert:

"A bill for an act relating to occupations and professions; establishing a board of social work; regulating and licensing social workers; establishing a board of mental health service providers; regulating mental health service providers; providing penalties; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 148B."

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

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

H.F. No. 555: A bill for an act relating to crimes; prohibiting giving peace officers false names; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Page 1, line 9, after "*Whoever*" insert "*with intent to obstruct justice*"

Page 1, line 10, after "*nickname,*" insert "*or gives a*"

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

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

H.F. No. 841: A bill for an act relating to utilities; providing for prevention of unlawful meter bypass, tampering, and use; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

Page 1, line 21, delete "*otherwise interfering with or*"

Page 2, line 3, delete "*moving.*"

Page 2, delete lines 10 to 31 and insert:

"Subd. 2. [CIVIL ACTIONS; REMEDIES.] A utility may bring a civil action for damages against a person who: (1) deliberately commits, authorizes, attempts, solicits, aids, or abets bypassing, tampering, unauthorized connection, or unauthorized metering that results in damages to the utility; or (2) knowingly receives service provided as a result of bypassing, tampering, unauthorized connection, or unauthorized metering. The utility may recover the costs of the service provided; the costs and expenses for investigation, disconnection, reconnection, service calls, equipment, and employees; and the trial costs, witness fees, and reasonable attorney fees."

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

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

S.F. No. 300: A bill for an act relating to education; establishing chemical abuse pre-assessment teams and community advisory teams; requiring teachers to report possession, use, and transfer of chemical substances by students; amending Minnesota Statutes 1986, sections 127.41, subdivision 3; and 260.161, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 126.

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

Page 2, lines 3, 11, and 17, delete "*use*" and insert "*abuse*"

Page 3, line 10, delete "*A public school teacher and*"

Page 3, line 11, after "*program*" insert "*, or a public school teacher,*"

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

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

S.F. No. 613: A bill for an act relating to crimes; prescribing higher penalties for major theft; providing that orders of restitution may be entered in favor of corporate victims; allowing the court to amend or issue orders of restitution when the defendant is on probation or supervised release; extending the statute of limitations for most crimes to five years; amending Minnesota Statutes 1986, sections 90.301, subdivision 6; 256.98; 256B.35, subdivision 5; 393.07, subdivision 10; 609.52, subdivision 3; 611A.01; 611A.04, subdivision 1; and 628.26.

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

Delete everything after the enacting clause and insert:

"Section 1. [65B.80] [DEFINITIONS.]

Subdivision 1. [TERMS.] The following terms have the meanings given for purposes of sections 1 to 4.

Subd. 2. [AUTHORIZED PERSON.] "Authorized person" means the prosecuting attorney responsible for prosecutions in the county where the motor vehicle theft occurred, the superintendent of the bureau of criminal apprehension, and the sheriff or chief of police responsible for investigation in the county where the motor vehicle theft occurred.

Subd. 3. [RELEVANT INFORMATION.] "Relevant information" or evidence means information having a tendency to make the existence of any fact that is of consequence to the investigation or determination of the issue more or less probable than it would be without the evidence.

Sec. 2. [65B.81] [DISCLOSURE OF INFORMATION.]

Subdivision 1. [REQUEST.] After receiving a written request, an insurance company must release to an authorized person any relevant information in the company's possession that relates to the motor vehicle theft. Relevant information is limited to:

(1) pertinent insurance policy information, including the application for a policy, that is relevant to a motor vehicle theft under investigation by the authorized person;

(2) policy premium payment records that are available;

(3) a history of previous claims made by the insured including, where the insured is a corporation or partnership, a history of previous claims by a subsidiary or any affiliates, and a history of claims of any other business association in which individual officers or partners or their spouses were known to be involved; and

(4) material relating to the investigation of the theft, including statements of any person, proof of loss, and any other evidence relevant to the investigation.

Subd. 2. [NOTIFICATION BY INSURER REQUIRED.] If an insurance company has reason to believe that a motor vehicle theft in which it has an interest may be fraudulently claimed, the company shall, in writing, notify an authorized person and provide the person with all relevant information specified in subdivision 1 relating to the motor vehicle theft. It is sufficient for the purpose of this subdivision if an insurance company notifies and provides relevant information to one authorized person.

Subd. 3. [RELEASE OF INFORMATION.] An authorized person provided with information under subdivision 1 or 2 may, to further official purposes, release or provide the information to any other authorized person.

Subd. 4. [INFORMATION FROM AUTHORIZED PERSON.] An insurance company that provides information to an authorized person may request relevant information in writing from the authorized person and the authorized person must provide the requested information within 30 days. The relevant information provided under this subdivision may not include nonconviction criminal history record information or any other information that is detrimental to an ongoing criminal investigation or would reveal the identity of a confidential source of information. An authorized person who does not furnish the requested information shall notify the insurance company of the reasons why the information cannot be furnished within 30 days of the request.

Subd. 5. [IMMUNITY FROM LIABILITY.] An insurance company or its agent acting in its behalf, or an authorized person who releases information, whether oral or written, acting in good faith, under subdivisions 1 to 3, is immune from any liability, civil or criminal, that might otherwise be incurred or imposed.

Sec. 3. [65B.82] [EVIDENCE.]

Data received under sections 1 to 4 by an authorized person or insurance company is confidential data under section 13.02, subdivision 3, until its release is required in connection with a criminal or civil proceeding.

Sec. 4. [65B.83] [ENFORCEMENT.]

Subdivision 1. [INTENTIONAL REFUSAL TO RELEASE.] An insurance company or officer may not intentionally refuse to release any information requested under section 2, subdivision 1.

Subd. 2. [INTENTIONAL REFUSAL TO NOTIFY.] An insurance company, or its employee or officer, may not intentionally refuse to provide notice or relevant information to authorized persons under section 2, subdivision 2.

Subd. 3. [PENALTY.] Whoever violates the provisions of subdivision 1 or 2 is guilty of a misdemeanor.

Sec. 5. Minnesota Statutes 1986, section 90.301, subdivision 6, is amended to read:

Subd. 6. [TICKET FOR THEFT VIOLATIONS.] The commissioner may design and issue a ticket in the form, and having the effect, of a summons and complaint, for use in cases of theft of state timber or other state property, where the value of the property is within the limits established by section 609.52, subdivision 3, clause ~~(5)~~ (6). The ticket shall provide for the name and address of the person charged with the violation, the offense charged, the time and place the person is to appear before a court, and any other necessary information.

Sec. 6. Minnesota Statutes 1986, section 256.98, is amended to read:

256.98 [WRONGFULLY OBTAINING ASSISTANCE; THEFT.]

A person who obtains, or attempts to obtain, or aids or abets any person to obtain by means of a willfully false statement or representation, by intentional concealment of a material fact, or by impersonation or other fraudulent device, assistance to which the person is not entitled or assistance greater than that to which the person is entitled, or who knowingly aids or abets in buying or in any way disposing of the property of a recipient or applicant of assistance without the consent of the local agency with intent to defeat the purposes of sections 256.12, 256.72 to 256.872, chapter 256B, is guilty of theft and shall be sentenced pursuant to section 609.52, subdivision 3, clauses ~~(4)~~, (2), (3), and ~~(5)~~ (6). The amount of the assistance incorrectly paid shall be the difference between the amount of assistance actually received and the amount to which the recipient would have been entitled under state and federal law had the welfare agency been informed of all material facts. The amount of any assistance determined to have been incorrectly paid shall be recoverable from the recipient or the recipient's estate by the county or the state as a debt due the county or the state or both in proportion to the contribution of each. Any amounts recovered shall be paid to the appropriate units of government in the same manner as

provided in section 256.863. To prosecute or to recover assistance wrongfully obtained under this section, the attorney general or the appropriate county attorney, acting independently or at the direction of the attorney general, may institute a criminal or civil action.

Sec. 7. Minnesota Statutes 1986, section 256B.35, subdivision 5, is amended to read:

Subd. 5. The nursing home may transfer the personal allowance to someone other than the recipient only when the recipient or the recipient's guardian or conservator designates that person in writing to receive or expend funds on behalf of the recipient and that person certifies in writing that the allowance is spent for the well being of the recipient. Persons, other than the recipient, in possession of the personal allowance, may use the allowance only for the well being of the recipient. Any person, other than the recipient, who, with intent to defraud, uses the personal needs allowance for purposes other than the well being of the recipient shall be guilty of theft and shall be sentenced pursuant to section 609.52, subdivision 3, clauses (1), (2), (3), and (5) (6). To prosecute under this subdivision, the attorney general or the appropriate county attorney, acting independently or at the direction of the attorney general, may institute a criminal action. A nursing home that transfers personal needs allowance funds to a person other than the recipient in good faith and in compliance with this section shall not be held liable under this subdivision.

Sec. 8. Minnesota Statutes 1986, section 393.07, subdivision 10, is amended to read:

Subd. 10. [FEDERAL FOOD STAMP PROGRAM.] (a) The county welfare board shall establish and administer the food stamp program pursuant to rules of the commissioner of human services and all federal laws and regulations. The commissioner of human services shall monitor food stamp program delivery on an ongoing basis to ensure that each county complies with federal laws and regulations. Program requirements to be monitored include, but are not limited to, number of applications, number of approvals, number of cases pending, length of time required to process each application and deliver benefits, number of applicants eligible for expedited issuance, length of time required to process and deliver expedited issuance, number of terminations and reasons for terminations, client profiles by age, household composition and income level and sources, and the use of phone certification and home visits. The commissioner shall determine the county-by-county and statewide participation rate. The commissioner shall report on the monitoring activities on a county-by-county basis in a report presented to the legislature by July 1 each year. This monitoring activity shall be separate from the management evaluation survey sample required under federal regulations.

(b) On July 1 of each year, the commissioner of human services shall determine a statewide and county-by-county food stamp program participation rate. The commissioner may designate a different agency to administer the food stamp program in a county if the agency administering the program fails to increase the food stamp program participation rate among families or eligible individuals, or comply with all federal laws and regulations governing the food stamp program. The commissioner shall review agency performance annually to determine compliance with this paragraph.

(c) The county welfare board shall participate in a food stamp quality

control system subject to the supervision of the commissioner of human services and pursuant to federal regulations.

Any person who commits any of the following acts is guilty of theft and shall be sentenced pursuant to section 609.52, subdivision 3, clauses ~~(4)~~, (2), (3), and ~~(5)~~ (6):

(1) Obtains or attempts to obtain, or aids or abets any person to obtain by means of a willfully false statement or representation, or intentional concealment of a material fact, food stamps to which the person is not entitled or in an amount greater than that to which entitled; or

(2) Presents or causes to be presented, coupons for payment or redemption knowing them to have been received, transferred or used in a manner contrary to existing state or federal law; or

(3) Willfully uses or transfers food stamp coupons or authorization to purchase cards in any manner contrary to existing state or federal law.

The amount of food stamps incorrectly issued shall be the difference between the amount of food stamps actually received and the amount to which the recipient would have been entitled under state and federal law had the welfare agency been informed of all material facts. The amount of any food stamps determined to have been incorrectly issued, used, transferred or presented shall, unless otherwise determined by the county welfare board in order to prevent undue hardship, be recoverable from the recipient, or user, or the recipient's or user's estate by the county as a debt due the county.

Sec. 9. Minnesota Statutes 1986, section 609.52, subdivision 3, is amended to read:

Subd. 3. [SENTENCE.] Whoever commits theft may be sentenced as follows:

(1) *To imprisonment for not more than 20 years or to payment of a fine of not more than \$100,000, or both, if the value of the property or services stolen is more than \$35,000 and the conviction is for a violation of subdivision 2, clause (3), (4), (15), or (16); or*

(2) *To imprisonment for not more than ten years or to payment of a fine of not more than \$20,000, or both, if the value of the property or services stolen exceeds \$2,500, or if the property stolen was a controlled substance listed in schedule 1 or 2 pursuant to section 152.02 with the exception of marijuana; or*

~~(2)~~ (3) *To imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both, if the value of the property or services stolen is more than \$250 but not more than \$2,500, or if the property stolen was a controlled substance listed in schedule 3, 4, or 5 pursuant to section 152.02; or*

~~(3)~~ (4) *To imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both, notwithstanding the value of the property or services stolen is not more than \$250, if any of the following circumstances exist:*

(a) The property is taken from the person of another or from a corpse, or grave or coffin containing a corpse; or

(b) The property is a record of a court or officer, or a writing, instrument

or record kept, filed or deposited according to law with or in the keeping of any public officer or office; or

(c) The property is taken from a burning building or upon its removal therefrom, or from an area of destruction caused by civil disaster, riot, bombing, or the proximity of battle; or

(d) The property consists of public funds belonging to the state or to any political subdivision or agency thereof; or

(e) The property is a firearm; or

(f) *the property stolen was a motor vehicle as defined in section 609.55; or*

(4) (5) To imprisonment for not more than ten years or to payment of a fine of not more than \$20,000, or both, if the property stolen is an article representing a trade secret; or if the property stolen is an explosive or an incendiary device; or

~~(5)~~ (6) In all other cases where the value of the property or services stolen is \$250 or less, to imprisonment for not more than 90 days or to payment of a fine of not more than \$700, or both, provided, however, in any prosecution under clauses (1), (2), (3), (4), and (13) of subdivision 2 the value of the money or property or services received by the defendant in violation of any one or more of the above provisions within any six-month period may be aggregated and the defendant charged accordingly in applying the provisions of this subdivision; provided that when two or more offenses are committed by the same person in two or more counties, the accused may be prosecuted in any county in which one of the offenses was committed for all of the offenses aggregated under this paragraph.

Sec. 10. Minnesota Statutes 1986, section 611A.01, is amended to read:

611A.01 [DEFINITIONS.]

For the purposes of sections 611A.01 to 611A.04 and 611A.06:

(a) "Crime" means conduct that is included within the definition of "crime" in section 609.02, subdivision 1, or would be included within that definition but for the fact that (i) the person engaging in the conduct lacked capacity to commit the crime under the laws of this state, or (ii) the act was alleged or found to have been committed by a juvenile;

(b) "Victim" means a natural person who incurs loss or harm as a result of a crime, *and for purposes of sections 611A.04 and 611A.045, also includes a corporation that incurs loss or harm as a result of a crime.* If the victim is a natural person and is deceased, "victim" means the deceased's surviving spouse or next of kin; and

(c) "Juvenile" has the same meaning as given to the term "child" in section 260.015, subdivision 2.

Sec. 11. Minnesota Statutes 1986, section 611A.04, subdivision 1, is amended to read:

Subdivision 1. [REQUEST; DECISION.] (a) A victim of a crime has the right to request that restitution be considered as part of the disposition of a criminal charge or juvenile delinquency proceeding against the offender. The request for restitution shall be made by the victim in writing in affidavit form, describing the items or elements of loss and itemizing the total dollar amounts of restitution claimed; and the reasons justifying

these amounts, if the request is for monetary or property restitution. In order to be considered by the court, the request must be received by the court administrator of the appropriate court at least three business days before the sentencing or dispositional hearing. The court administrator shall provide copies of this request to the prosecutor and the offender at least 24 hours before the sentencing or dispositional hearing.

(b) The court may amend or issue an order of restitution after the sentencing or dispositional hearing if:

(1) the offender is on probation or supervised release;

(2) a request for restitution is filed by the victim or prosecutor in affidavit form as required under paragraph (a); and

(3) the true extent of the victim's loss was not known at the time of the sentencing or dispositional hearing.

If the court holds a hearing on the restitution request, the court must notify the offender, the offender's attorney, the victim, and the prosecutor at least five business days before the hearing. The court's restitution decision is governed by this section and section 611A.045.

(c) The court shall grant or deny restitution, and shall state on the record its reasons for its decision on restitution if a request for restitution has been made.

Sec. 12. Minnesota Statutes 1986, section 628.26, is amended to read:
628.26 [LIMITATIONS.]

(a) Indictments or complaints for murder may be found or made at any time after the death of the person killed.

(b) Indictments or complaints for violation of section 609.42, subdivision 1, clause (1) or (2) shall be found or made and filed in the proper court within six years after the commission of the offense.

(c) Indictments or complaints for violation of sections 609.342 to 609.345 if the victim was under the age of 18 years at the time the offense was committed, shall be found or made and filed in the proper court within seven years after the commission of the offense.

(d) Indictments or complaints for violation of sections 609.466 and 609.52, subdivision 2, clause (3)(d) shall be found or made and filed in the proper court within six years after the commission of the offense.

(e) Indictments or complaints for violation of section 609.52, subdivision 2, clause (3), (4), (15), or (16), where the value of the property or services stolen is more than \$35,000, shall be found or made and filed in the proper court within five years after the commission of the offense.

(f) In all other cases, indictments or complaints shall be found or made and filed in the proper court within three years after the commission of the offense; but the time during which the defendant shall not be an inhabitant of, or usually resident within, this state, shall not constitute any part of the limitations imposed by this section.

Sec. 13. [EFFECTIVE DATE.]

Sections 6 to 11 are effective August 1, 1987, and apply to crimes committed on or after that date. Sections 1 to 5, and 12, are effective August 1, 1987."

Delete the title and insert:

"A bill for an act relating to crimes; requiring insurance companies to notify and release insurance policy information to certain law enforcement and prosecutorial authorities regarding motor vehicle thefts under investigation; prescribing higher penalties for major theft, motor vehicle theft, and repeat violations of the crime of unauthorized use of a motor vehicle; providing that orders of restitution may be entered in favor of corporate victims; allowing the court to amend or issue orders of restitution when the defendant is on probation or supervised release; extending the statute of limitations for certain major thefts to five years; amending Minnesota Statutes 1986, sections 90.301, subdivision 6; 256.98; 256B.35, subdivision 5; 393.07, subdivision 10; 609.52, subdivision 3; 611A.01; 611A.04, subdivision 1; and 628.26; proposing coding for new law in Minnesota Statutes, chapter 65B."

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

SECOND READING OF SENATE BILLS

S.F. Nos. 703, 300 and 613 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 257, 555 and 841 were read the second time.

MOTIONS AND RESOLUTIONS - CONTINUED

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

CALENDAR

S.F. No. 170: A bill for an act relating to economic development; recodifying provisions governing housing and redevelopment authorities, port authorities, economic development authorities, area redevelopment, municipal development districts, mined underground space development, rural development finance authorities, public development debt, enterprise zones, tax increment financing, and other local economic development tools; extending duration of bond allocation act; removing certain service persons' preference provisions from the housing and redevelopment authority law; modifying requirements for developers' tax abatements under the housing and redevelopment authority law; removing a sunset on certain St. Paul port authority provisions; allocating bonding authority subject to a volume cap under federal tax law; allocating bonding authority to the city of Minneapolis, located in Hennepin county, and to the city of Saint Paul, located in Ramsey county; amending Minnesota Statutes 1986, sections 16B.61, subdivision 3; 41A.05, subdivision 2; 41A.06, subdivision 5; 115A.69, subdivision 9; 116J.27, subdivision 4; 116M.03, subdivisions 11, 19, and 28; 116M.06, subdivision 3; 116M.07, subdivision 11; 124.214, subdivision 3; 216B.49, subdivision 7; 268.38, subdivision 3; 272.02, subdivision 5; 272.026; 272.68, subdivision 4; 273.13, subdivisions 9 and 24; 273.1393; 282.01, subdivision 1; 290.61; 298.2211, subdivisions 1 and 3; 353.01, subdivision 6; 355.11, subdivision 5; 355.16; 412.251; 462C.02, subdivisions 6 and 9; 462C.05, subdivision 7; 462C.06; 465.54; 465.74, subdivision 7; 465.77; 471A.03, subdivision 9; 473.195, subdivision 1;

473.201, subdivision 1; 473.504, subdivision 11; 473.556, subdivision 6; 473.638, subdivision 2; 473.811, subdivision 8; 473.852, subdivision 6; 473F02, subdivision 3; 473F05; 473F08, subdivisions 2, 4, and 6; 475.525, subdivision 3; 477A.011, subdivision 7; 504.24, subdivision 2; and 609.321, subdivision 12; repealing Minnesota Statutes 1986, sections 273.1312; 273.1313; 273.1314; 273.71; 273.72; 273.73; 273.74; 273.75; 273.76; 273.77; 273.78; 273.86; 362A.01; 362A.02; 362A.03; 362A.04; 362A.041; 362A.05; 362A.06; 373.31; 426.055; 458.09; 458.091; 458.10; 458.11; 458.12; 458.14; 458.15; 458.16; 458.17; 458.18; 458.19; 458.191; 458.192; 458.193; 458.194; 458.1941; 458.195; 458.196; 458.197; 458.198; 458.199; 458.1991; 458.70; 458.701; 458.702; 458.703; 458.711; 458.712; 458.713; 458.72; 458.74; 458.741; 458.75; 458.76; 458.77; 458.771; 458.772; 458.773; 458.774; 458.775; 458.776; 458.777; 458.778; 458.79; 458.80; 458.801; 458.81; 458C.01; 458C.03; 458C.04; 458C.05; 458C.06; 458C.07; 458C.08; 458C.09; 458C.10; 458C.11; 458C.12; 458C.13; 458C.14; 458C.15; 458C.16; 458C.17; 458C.18; 458C.19; 458C.20; 458C.22; 458C.23; 459.01; 459.02; 459.03; 459.04; 459.05; 459.31; 459.32; 459.33; 459.34; 462.411; 462.415; 462.421; 462.425; 462.426; 462.427; 462.428; 462.429; 462.4291; 462.432; 462.435; 462.441; 462.445; 462.451; 462.455; 462.461; 462.465; 462.466; 462.471; 462.475; 462.481; 462.485; 462.491; 462.495; 462.501; 462.505; 462.511; 462.515; 462.521; 462.525; 462.531; 462.535; 462.541; 462.545; 462.551; 462.555; 462.556; 462.561; 462.565; 462.571; 462.575; 462.581; 462.585; 462.591; 462.595; 462.601; 462.605; 462.611; 462.615; 462.621; 462.625; 462.631; 462.635; 462.641; 462.645; 462.651; 462.655; 462.661; 462.665; 462.671; 462.675; 462.681; 462.685; 462.691; 462.695; 462.701; 462.705; 462.712; 462.713; 462.714; 462.715; 462.716; 465.026; 465.53; 465.55; 465.56; 472.01; 472.02; 472.03; 472.04; 472.05; 472.06; 472.07; 472.08; 472.09; 472.10; 472.11; 472.12; 472.125; 472.13; 472.14; 472.15; 472.16; 472A.01; 472A.02; 472A.03; 472A.04; 472A.05; 472A.06; 472A.07; 472A.09; 472A.10; 472A.11; 472A.12; 472A.13; 472B.01; 472B.02; 472B.03; 472B.04; 472B.05; 472B.06; 472B.07; 472B.08; 474.01; 474.02; 474.03; 474.04; 474.05; 474.06; 474.07; 474.08; 474.09; 474.10; 474.11; 474.13; 474.15; amending Minnesota Statutes 1986, sections 462C.11, subdivisions 2 and 3; 474A.02, subdivisions 1, 2, 3, 6, 7, 8, 12, 14, 16, 18, 19, 21, 26, and by adding subdivisions; 474A.03, subdivision 1, and by adding a subdivision; 474A.04, subdivisions 5, 6, and by adding a subdivision; 474A.13, subdivisions 1, 4, and 5; 474A.14; 474A.15; 474A.16; 474A.17; 474A.18; 474A.20; and 474A.21; proposing coding for new law in Minnesota Statutes, chapter 474A; repealing Minnesota Statutes 1986, sections 474A.02, subdivisions 5, 9, 10, 11, 13, 15, 17, 20, 22, 23, 24, 25, 27, 28, and 29; 474A.03, subdivisions 2 and 3; 474A.04, subdivisions 1, 2, 3, and 4; 474A.05; 474A.06; 474A.07; 474A.08; 474A.09; 474A.10; 474A.11; 474A.12; 474A.13, subdivisions 2 and 3; and 474A.19; Laws 1961, chapter 545; Laws 1963, chapters 254; and 827; Laws 1967, chapter 541; Laws 1969, chapter 98; Laws 1973, chapter 114; Laws 1974, chapter 218; Laws 1975, chapter 326; Laws 1976, chapter 234, section 3; Laws 1979, chapter 269, section 1; Laws 1980, chapters 453; and 595, sections 5 and 8; Laws 1981, chapters 222, section 6; and 223, section 6, subdivision 3; Laws 1982, chapter 523, article 24, section 2; Laws 1983, chapters 110; and 257, section 1; Laws 1984, chapters 397; 498; and 548, section 9; and Laws 1985, chapters 173; 177; 188; 189; 192; 199; 205; 206, sections 2 and 3; and 301, sections 3 and 4; proposing coding for new law as Minnesota Statutes, chapter 469.

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 47 and nays 14, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Kroening	Morse	Storm
Anderson	DeCramer	Langseth	Pehler	Stumpf
Belanger	Dicklich	Lantry	Peterson, D.C.	Taylor
Berglin	Frank	Lessard	Piper	Vickerman
Bertram	Frederickson, D.J.	Luther	Pogemiller	Waldorf
Brandl	Frederickson, D.R.	Marty	Purfeerst	Wegscheid
Brataas	Freeman	McQuaid	Reichgott	Willet
Chmielewski	Hughes	Metzen	Schmitz	
Cohen	Johnson, D.E.	Moe, D.M.	Solon	
Dahl	Johnson, D.J.	Moe, R.D.	Spear	

Those who voted in the negative were:

Benson	Diessner	Knaak	Merriam	Ramstad
Berg	Frederick	Laidig	Olson	Renneke
Bernhagen	Jude	Larson	Peterson, R.W.	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate proceed to the Order of Business of Introduction and First Reading of Senate Bills. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mrs. McQuaid introduced—

S.F. No. 1517: A bill for an act relating to traffic regulations; providing for allocation of civil fines for motor vehicle maximum weight violations; amending Minnesota Statutes 1986, section 169.871, subdivision 5.

Referred to the Committee on Transportation.

Messrs. Berg, Davis, Bernhagen, Stumpf and Anderson introduced—

S.F. No. 1518: A bill for an act relating to taxation; income; defining income relating to a farm for purposes of allocation of income; amending Minnesota Statutes 1986, section 290.17, subdivision 2.

Referred to the Committee on Agriculture.

Messrs. Dicklich; Kroening; Dahl; Johnson, D.J. and Laidig introduced—

S.F. No. 1519: A bill for an act relating to consumer protection; requiring motor vehicle manufacturers to supply a temporary replacement vehicle or to reimburse vehicle owners for rental car expenses under certain circumstances; providing an expedited civil remedy; amending Minnesota Statutes 1986, section 325F.665, subdivisions 2 and 6.

Referred to the Committee on Commerce.

MEMBERS EXCUSED

Messrs. Benson and Moe, R.D. were excused from the Session of today from 12:00 noon to 12:50 p.m. Mr. Knaak was excused from the Session of today from 12:00 noon to 12:35 p.m. Mr. Purfeerst was excused from the Session of today from 12:00 noon to 1:00 p.m. Mr. Bertram was excused from the Session of today from 3:00 to 5:15 p.m. Mr. Mehrkens was excused from the Session of today at 7:40 p.m. Mr. Knutson was excused from the Session of today at 8:30 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:00 a.m., Monday, May 4, 1987. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate